RECOVERY ACT: PROGRESS REPORT FOR INFRASTRUCTURE INVESTMENTS

(111–116)

HEARING

BEFORE THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

May 26, 2010

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SUMMARY OF SUBJECT MATTER

TO: Members of the Committee on Transportation and Infrastructure

FROM: Committee on Transportation and Infrastructure Staff

SUBJECT: Hearing on "Recovery Act: Progress Report for Infrastructure Investments"

PURPOSE OF HEARING

The Committee on Transportation and Infrastructure will meet on Wednesday, May 26, 2010, at 10:00 a.m., in room 2167 of the Rayburn House Office Building to examine progress to date on implementing the American Recovery and Reinvestment Act (P.L. 111-5) (Recovery Act). The hearing will address implementation efforts in infrastructure programs under the Committee's jurisdiction, including waterways, flood control, water resource development, wastewater treatment facilities, hazardous waste clean-ups, economic development, and Federal buildings.

BACKGROUND

State of the Economy

According to the Bureau of Labor Statistics (BLS), as of April 2010,[1] the unemployment rate was 9.9 percent -- a slight increase from the 9.7 percent rate experienced from January through March of 2010, and slightly lower than the rate experienced from October through December of 2009. As of April 2010, there are 15.3 million unemployed persons in the United States, for all sectors of the economy combined. In addition, when part-time and discouraged workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 26.8 million.

In April 2010, the economy added 290,000 jobs, while in April 2009, the economy lost 582,000 jobs.

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[1] The latest month for which data is available.

After workers have lost their jobs, they have had more trouble finding new jobs. The average length of unemployment is now 33 weeks. The number of workers who have been unemployed for longer than six months is now 6.7 million. One-half of the unemployed have been out of work for more than 21.6 weeks and 46 percent have been out of work for more than six months.

The construction sector has lost 1,866,000 jobs since the recession began in December 2007. The unemployment rate in construction was 21.8 percent in April 2010. This is the highest unemployment rate of any industrial sector. As of April 2010, there are 1,919,000 unemployed construction workers in the nation.

An analysis by a national transportation construction association shows between May 2009 and April 2010, the value of new contracts for highway pavement projects rose to $44.7 billion, a 20.8 percent increase from the period between May 2008 and April 2009, when highway contract awards totaled $37 billion. New contract awards for bridge construction projects rose by 16.9 percent during the same time period, from $14.2 billion to $16.6 billion. Furthermore, the value of highway and bridge contract awards year to date through April 2010 is up by $4.5 billion — from $14.8 billion to $19.3 billion. This is well above the historical pace of contract awards—from 2005 through 2009 the average value was $15.5 billion.

With this economic picture as the backdrop, Federal agencies, State and local governments, along with the private sector, are working together to implement the Recovery Act, to create and sustain family-wage jobs now and, at the same time, to address the nation's long-term infrastructure investment needs.

RECOVERY ACT

On February 17, 2009, the Recovery Act was signed into law. The Act provides approximately $16 billion of non-transportation investment for programs within the jurisdiction of the Committee on Transportation and Infrastructure, including:[2]

- $5.26 billion for environmental infrastructure;
- $4.6 billion for the U.S. Army Corps of Engineers (Corps);
- $5.575 billion for Federal buildings;
- $150 million for the Economic Development Administration (EDA);
- $210 million for emergency management; and
- $240 million for the U.S. Coast Guard.

I. IMPLEMENTATION HIGHLIGHTS OF INFRASTRUCTURE INVESTMENT

ENVIRONMENTAL PROTECTION AGENCY ($4.7 BILLION)

Clean Water State Revolving Fund ($4 billion)

All States met the deadline that Clean Water State Revolving Fund (SRF) Recovery Act funds be under contract or under construction by February 17, 2010.

Out to Bid: According to submissions received by the Committee from States, as of April 30, 2010, 50 States, four Territories, and the District of Columbia have put out to bid 1,962 projects totaling $3.8 billion, representing 100 percent of the total available Clean Water SRF formula funds.

Signed Contracts: 50 States, three Territories, and the District of Columbia have signed contracts for 1,956 projects totaling $3.8 billion, representing 100 percent of the funds.

Work Underway: Work has begun on 1,836 projects in 50 States, three Territories, and the District of Columbia totaling $3.7 billion, representing 96 percent of the funds.

Recovery Act Clean Water SRF investments will:

- construct, upgrade, or maintain publicly owned treatment works serving an estimated 60 million people, almost one-third of the U.S. population currently served by sewers -- 375 projects ($1.1 billion);
- improve, rehabilitate, or expand wastewater collection systems – 500 projects ($680 million); and
- protect our nation's water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 250 water or energy efficient projects ($515 million).

[2] The Congressional Budget Office originally estimated the total cost of the Recovery Act to be $787 billion, and revised that figure in January 2010 to $862 billion.

Superfund ($600 million): The Environmental Protection Agency (EPA) has awarded $582 million for 57 construction projects and four design projects at 51 sites in 28 States, representing nearly 100 percent of the total allotment for Superfund work. Work has begun or is complete on 46 projects ($531 million), representing 91 percent of the available funds.

Brownfields ($100 million): EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 186 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds. Work has begun or is completed on 114 projects.

GENERAL SERVICES ADMINISTRATION ($5.55 BILLION)

The General Services Administration (GSA) has awarded contracts and begun work on 406 projects worth $4.1 billion, representing 74 percent of GSA's total apportionment. GSA plans to award a total of $5 billion by September 30, 2010, and the remaining funds by September 30, 2011.

GSA's Recovery Act spending plan comprises projects in all 50 States, two Territories, and the District of Columbia, including:

- constructing 10 Federal buildings and courthouses in five States, Washington, DC, and Puerto Rico ($750 million);
- constructing seven border stations and land ports of entry in five States on the U.S.-Mexico and U.S.-Canada borders ($300 million);
- modernizing 45 Federal buildings and courthouses in 21 States, Washington, DC, and Puerto Rico with major projects to convert facilities to high-performance green buildings ($3.2 billion);
- modernizing 200 Federal buildings and courthouses in 48 States, Washington, DC, Puerto Rico, and the Virgin Islands with limited-scope projects to convert facilities to high-performance green buildings ($912 million); and
- modernizing Federal buildings and courthouses with small projects to convert facilities to high-performance green buildings ($161 million).

These projects will result in:

- installing 78 roofs, including 68 photovoltaic arrays on roofs;
- putting in place 140 lighting systems;
- installing 52 water systems; and
- completing 222 system tune-ups and recommissionings.

U.S. ARMY CORPS OF ENGINEERS ($4.6 BILLION)

The Corps has obligated $3.5 billion for 791 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 77 percent of the total amount of Recovery Act funds allocated to the Corps.

Recovery Act investments will fund the following:

- navigation: repair or improve 284 locks or commercial ports;
- flood risk management: 1,124 projects to improve dam or levee safety; and
- recreation: maintain or upgrade 460 recreation areas.

Construction Program ($2 billion): The Corps has obligated $1.3 billion for 156 projects. This amount represents 66 percent of the apportionment for this program.

Operation and Maintenance Program ($2.075 billion): The Corps has obligated $1.7 billion for 523 projects. This amount represents 84 percent of the apportionment for this program.

Mississippi River and Tributaries Program ($375 million): The Corps has obligated $320 million for 40 projects. This amount represents 85 percent of the apportionment for this program.

Formerly Utilized Remedial Action Program ($100 million): The Corps has obligated $97 million for 10 projects. This amount represents 97 percent of the apportionment for this program.

Investigations Program ($25 million): The Corps has obligated $22 million for 57 projects. This amount represents 87 percent of the apportionment for this program.

Regulatory Program ($25 million): The Corps has obligated $18 million for five projects. This amount represents 70 percent of the apportionment for this program.

ECONOMIC DEVELOPMENT ADMINISTRATION ($150 MILLION)

EDA awarded 68 grants in 37 States totaling $147 million. EDA has since broken ground on 43 of these projects totaling $91 million, representing 62 percent of the amount allocated to support these investments.

EDA funded projects in areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring. These projects target opportunities that will jump start our economy and support investments that will contribute to sustained economic growth across the country. EDA's implementation plan includes promoting:

- development of regional innovation clusters, which leverage a region's existing competitive strengths to boost job creation and economic growth – 23 projects ($50 million);
- business incubation – 13 projects ($37 million); and
- green jobs – 14 projects ($27 million).

FEDERAL EMERGENCY MANAGEMENT AGENCY ($210 MILLION)

The Federal Emergency Management Agency (FEMA) has awarded 119 fire station projects totaling $189 million in 41 States, representing 90 percent of the available funds. FEMA anticipates making as many as 10 additional awards. Three of these fire stations have already broken ground and another 26 stations have been cleared to begin construction.

This program is aimed at creating and saving jobs in recession-hit areas and achieving firefighter safety and improved response capability and capacity based on need. Recovery Act investments will fund the following:

- build 45 new fire stations to meet expanded responsibilities;
- replace 41 unsafe fire stations;
- renovate 16 unsafe fire stations;
- expand 10 fire stations to accommodate 24 hour/seven day coverage; and
- expand six fire stations to accommodate increased responsibilities.

II. TRANSPARENCY AND ACCOUNTABILITY INFORMATION

Highway, Transit, and Wastewater Infrastructure Formula Funds

According to the latest submissions by States, metropolitan planning organizations, and public transit agencies on their use of highway, transit, and wastewater infrastructure formula programs:

Out to Bid

As of April 30, 2010, 17,840 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $34.6 billion, representing 91 percent of the total available formula funds.

Signed Contracts

Fifty States, five Territories, and the District of Columbia have signed contracts for 16,591 projects totaling $32.1 billion, representing 85 percent of the total available formula funds.

Work Underway

Work has begun on 14,984 projects in 50 States, five Territories, and the District of Columbia totaling $30.9 billion, representing 81 percent of the total available formula funds.

Work Completed

Work has been completed on 5,221 projects totaling $4.2 billion in 50 States, one Territory, and the District of Columbia, representing 11 percent of the total available formula funds.

Jobs Created

During the first year of implementation (February 17, 2009, through February 28, 2010), these projects created or sustained nearly 350,000 direct, on-project jobs.[3] Total employment, which includes direct, indirect, and induced jobs, reached almost 1.2 million jobs.[4] During April 2010, the Recovery Act created or sustained 55,000 direct, on-project jobs. Total employment, which includes direct, indirect, and induced jobs, surpassed 159,000 jobs.

In total, direct job creation from these formula projects has resulted in payroll expenditures of $2.3 billion. Using this data, the Committee calculates that $387 million in unemployment checks have been avoided as a result of this direct job creation.[5] Furthermore, these direct jobs have caused nearly $472 million to be paid in Federal taxes.[6]

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[3] Direct jobs are charged directly to the project, and include workers employed to build a facility or upgrade equipment on-site. Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing the number of cumulative direct, on-project job hours created or sustained by Recovery Act funds, as reported by States, MPOs, and public transit agencies, by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[4] Indirect jobs are not charged directly to the project but are embedded in materials costs and include positions at companies that produce construction materials such as steel, sand, gravel, and asphalt, or manufacture equipment including new transit buses. Induced jobs are positions that are created or sustained when employees spend their increased incomes on goods and services. To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

[5] The value of unemployment checks avoided is determined by multiplying FTE direct job months created or sustained by the average monthly unemployment benefits paid ($1,448.33) times the percentage of unemployed workers collecting unemployment benefits (58.6 percent). The Congressional Research Service (CRS) provided the Committee with this information.

[6] The value of Federal taxes paid is calculated by multiplying the direct jobs payroll by the average total Federal tax rate (20.45 percent) (the sum of the average tax rate with respect to adjusted gross income (12.8 percent) and average social insurance payments (7.65 percent) for the 2008 tax year). CRS provided the Committee with this information.

Miles and Bridges Improved

Recovery Act investments will result in 34,438 miles of road improvement and 1,262 bridge improvements.

For additional information by State and formula program, see the attached tables, which include: 1) T&I Committee Transparency and Accountability Information by State and Formula Funding; 2) Highway Rankings; 3) Clean Water SRF Rankings; 4) Miles Improved; and 5) Bridges Improved.

Project List: All Programs Under Committee's Jurisdiction

Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,351 transportation and other infrastructure projects totaling $62.9 billion, as of May 14, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $50.2 billion for 18,981 projects, representing 78 percent of the available funds.

To download a complete list of projects, please visit the Transparency and Accountability section of the Committee's website at: http://transportation.house.gov/, and click on "Transparency and Accountability Information by Project (Data Reported as of May 14, 2010)". The list may be searched by State, Congressional District, Federal agency, or program.

For additional information, see the attached report entitled *The American Recovery and Reinvestment Act of 2009, Transportation and Infrastructure Provisions Implementation Status as of May 14, 2010.*

WITNESSES

Mr. Craig E. Hooks
Assistant Administrator for Administration and Resources Management
Environmental Protection Agency

Mr. Terrence C. Salt
Deputy Assistant Secretary of the Army (Civil Works)
U.S. Army Corps of Engineers

Ms. Mary Walsh
Chief of Staff, Public Buildings Service, ARRA National Recovery Program Management Office
General Services Administration

Mr. John Fernandez
Assistant Secretary for Economic Development
U.S. Department of Commerce

Ms. Elizabeth Harman
Assistant Administrator, Grant Programs
Federal Emergency Management Agency

Mr. David Trimble
Acting Director, Natural Resources and Environment
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Mr. Peter Bowe
President
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Mr. Tim Burkett
Chief Operations Officer
Biohabitats, Inc.

Mr. Kevin Welch
Senior Project Manager
PCL Construction Services, Inc.
representing the U.S. Green Building Council

Mr. Brian Rainville
High School Teacher and Son of Dairy Farmers
Franklin, Vermont

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The American Recovery and Reinvestment Act of 2009 Transportation and Infrastructure Provisions Implementation Status as of May 14, 2010

Prepared for

The Honorable James L. Oberstar
Chairman

By the Committee on Transportation and Infrastructure
Majority Staff

For Release on Delivery
May 25, 2010
2:00 p.m.

EXECUTIVE SUMMARY

The transportation and infrastructure investments provided by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have been a tremendous success. These investments have helped stem the tide of job losses from the worst economic crisis facing the nation since the Great Depression. Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,351 transportation and other infrastructure projects totaling $62.9 billion, as of May 14, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $50.2 billion for 18,981 projects, representing 78 percent of the available funds.

The following transparency and accountability information demonstrates the successful implementation of Recovery Act highway, transit, and wastewater infrastructure formula fund investments: Of the $38 billion available for highway, transit, and wastewater infrastructure formula program projects under the Recovery Act, $34.5 billion, or 91 percent, has been put out to bid on 17,840 projects, as of April 30, 2010. Within this total, 16,591 projects (totaling $32.1 billion, or 85 percent) are under contract. Across the nation, work has begun on 14,984 projects totaling $30.9 billion, or 81 percent. Within this total, work has been completed on 5,221 projects totaling $4.2 billion. Every Recovery Act dollar available for wastewater infrastructure is now under contract and 28 States have 100 percent of their wastewater infrastructure funds underway.

During the first year of implementation (February 17, 2009, through February 28, 2010), these projects created or sustained nearly 350,000 direct, on-project jobs.[1] Total employment, which includes direct, indirect, and induced jobs, reached almost 1.2 million jobs.[2] During April 2010, the Recovery Act created or sustained 55,000 direct, on-project jobs. Total employment, which includes direct, indirect, and induced jobs, surpassed 159,000 jobs.

Direct job creation from these projects has resulted in payroll expenditures of $2.3 billion. Using this data, the Committee calculates that $387 million in unemployment checks have been avoided as a result of this direct job creation.[3] Furthermore, these direct jobs have caused nearly $472 million to be paid in Federal taxes.[4]

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[1] Consistent with the U.S. Department of Transportation's reports pursuant to section 1201 of the Recovery Act, the number of direct jobs is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[2] To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

[3] The value of unemployment checks avoided is determined by multiplying FTE direct job months created or sustained by the average monthly unemployment benefits paid ($1,448.33) times the percentage of unemployed workers collecting unemployment benefits (58.6 percent). The Congressional Research Service (CRS) provided the Committee with this information.

[4] The value of Federal taxes paid is calculated by multiplying the direct jobs payroll by the average total Federal tax rate (20.45 percent) (the sum of the average tax rate with respect to adjusted gross income (12.8 percent) and average social insurance payments (7.65 percent) for the 2008 tax year). CRS provided the Committee with this information.

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COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
RECOVERY ACT PROVISIONS

$64.1 BILLION FOR TRANSPORTATION AND INFRASTRUCTURE INVESTMENT

- The Recovery Act provides **$64.1 billion** of infrastructure investment to enhance the safety, security, and efficiency of our highway, transit, rail, aviation, environmental, flood control, inland waterways, public buildings, and maritime transportation infrastructure.

- The $64.1 billion of Federal transportation and infrastructure investment will **create or sustain more than 1.8 million jobs and $323 billion of economic activity**.

- Specifically, **the Recovery Act provides**:

  - **Highways and Bridges:** **$27.5 billion**
    including Federal-aid Highway formula ($26.8 billion), Indian Reservation Roads ($310 million), National Park Roads ($170 million), Forest Roads ($60 million), Refuge Roads ($10 million), Ferry Boats and Ferry Terminal facilities ($60 million), On-the-Job Training ($20 million), and Disadvantaged Business Enterprise bonding assistance ($20 million)

  - **Transit:** **$8.4 billion**
    including Transit Urban and Rural formula ($6.8 billion), Transit Greenhouse Gas and Energy Reduction program ($100 million), Fixed Guideway Modernization formula ($750 million), and New Starts grants ($750 million)

  - **Rail:** **$9.3 billion**
    including High-speed Rail and Intercity Passenger Rail grants ($8 billion), Amtrak Capital grants ($850 million), and Amtrak Safety and Security grants ($450 million)

  - **Surface Transportation:** **$1.5 billion**
    including highway, bridge, public transit, intercity passenger rail, freight rail, and port infrastructure grants

  - **Aviation:** **$1.3 billion**
    including Airport Improvement Program ($1.1 billion) and Federal Aviation Administration Facilities and Equipment ($200 million)

TRANSPORTATION AND INFRASTRUCTURE INVESTMENT CONTINUED

- **Environmental Infrastructure: $5.26 billion**
  including Clean Water State Revolving Fund loans and grants ($4 billion), Superfund cleanups ($600 million), Brownfields grants ($100 million), Watershed and Flood Prevention Operations ($290 million), Watershed Rehabilitation Program ($50 million), and International Boundary and Water Commission ($220 million)

- **U.S. Army Corps of Engineers: $4.6 billion**
  including Construction ($2 billion), Operation and Maintenance ($2.075 billion), Mississippi Rivers and Tributaries ($375 million), Formerly Utilized Sites Remedial Action Program ($100 million), Investigations ($25 million), and Regulatory Program ($25 million)

- **Federal Buildings: $5.575 billion**
  including High-Performance Green Federal buildings ($4.5 billion), repair, alteration, and construction of Federal buildings and courthouses ($750 million) and border stations and land ports of entry ($300 million), and Smithsonian Institution ($25 million)

- **Economic Development Administration: $150 million**
  including Economic Adjustment grants ($50 million) and Regional Economic Development Commissions (up to $50 million)

- **Emergency Management: $210 million**
  including Firefighter Assistance grants to construct non-Federal fire stations ($210 million)

- **Coast Guard: $240 million**
  including Bridge Alterations ($142 million) and construction of shore facilities and aid-to-navigation facilities and repair of vessels ($98 million)

- **Maritime Administration: $100 million**
  including Small Shipyard grants ($100 million)

- The Recovery Act generally **requires these funds to be invested in ready-to-go projects.** Section 1602 of the Recovery Act requires States and other grant recipients to give preference to projects that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for projects that can be initiated not later than 120 days (June 17, 2009) after the date of enactment.[5] In addition, several transportation programs have specific deadlines to invest a percentage of the funds. For example, for Federal-aid Highway formula funds, 50 percent of state-administered funds must be obligated within 120 days (June 30, 2009) of the date of apportionment and all funds must be obligated within one year (March 2, 2010) of the date of apportionment. For transit formula grants, 50 percent of funds must be obligated within 180 days (September 1, 2009) of the date of apportionment and all funds must be obligated within one year (March 5, 2010) of the date of apportionment.

- The Recovery Act **creates green collar jobs and invests in projects that decrease our dependence on foreign oil and address global climate change.** It provides $4.5 billion for High-Performance Green Federal buildings to fund projects that incorporate energy and water conservation elements, such as installing photovoltaic roofs and geothermal technology. In addition, the Recovery Act provides a significant investment in public transit, high-speed rail, intercity rail, and Amtrak projects to provide alternatives to traveling by car, and help public transit and intercity passenger rail providers increase the percentage of their fleets that are alternative fuel vehicles. Finally, the Recovery Act directs that 20 percent of each State's Clean Water State Revolving Fund allotment be used for investments in energy and water efficient techniques and technologies (i.e., green infrastructure).

- The Recovery Act **requires the steel, iron, and manufactured goods for these projects to be produced in the United States.**[6]

- The Recovery Act **creates family-wage construction and manufacturing jobs.**[7]

- The Recovery Act **requires the Governor of each State to certify that:**

  - **the State will request and use funds provided by the Recovery Act and the funds will be used to create jobs and promote economic growth;**[8]

  - **the State will maintain its effort with regard to State funding for transportation projects;**[9] **and**

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[5] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1602 (2009).
[6] *Id.* § 1605.
[7] *Id.* § 1606. The Recovery Act requires all laborers and mechanics employed by contractors on projects funded by this Act to be paid prevailing wages. *Id.*
[8] *Id.* § 1607. The Governor shall make this certification within 45 days (April 3, 2009) of the date of enactment. If the Governor does not make such certification, the State legislature may accept the funds. *Id.*

- **the Governor accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars.**[10]

To view submitted certifications by State, see: http://testimony.ost.dot.gov/ARRAcerts/.

➢ Finally, the Recovery Act **ensures transparency and accountability by including regular reporting requirements to track the use of the funds, State investments, and the estimated number of jobs created or sustained. This information will be publicly available through Recovery.gov.** Pursuant to section 1512 of the Act, States and other direct grant recipients will provide quarterly reports (beginning October 10, 2009) to the Federal agency that provided the funds on the total amount of recovery funds received; the amount of such funds that were expended or obligated; a detailed list of all projects or activities for which recovery funds were expended or obligated, including the name and description of the project, an evaluation of the completion status of the project, and an estimate of the number of jobs created or sustained by the project; and, for infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment. Each Federal agency receiving these quarterly reports will make the information publicly available by posting the information on a website.[11]

➢ Section 1201 of the Recovery Act **requires additional reporting requirements for funds administered by the U.S. Department of Transportation.** Under this provision, each State and other grant recipient shall submit periodic reports to the U.S. Department of Transportation on the use of Recovery Act funds provided for highway, public transit, rail, surface transportation, airport, and maritime programs. The States and other grant recipients will report:

- the amount of Federal funds obligated and outlayed;
- the number of projects that have been put out to bid, and the amount of Federal funds associated with such projects;
- the number of projects for which contracts have been awarded, and the amount of Federal funds associated with such projects;
- the number of projects for which work has begun under such contracts and the amount of Federal funds associated with such contracts;

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[9] *Id.* § 1201. The certification shall include a statement identifying the amount of funds the State planned to expend from State sources as of the date of enactment during the period from the date of enactment through September 30, 2010. *Id.*

[10] *Id.* § 1201. The certification shall include a description of the investment, the estimated total cost, and the amount of covered funds to be used, and shall be posted on a website and linked to the Recovery.gov website. *Id.*

[11] *Id.* § 1512.

- the number of projects for which work has been completed under such contracts and the amount of Federal funds associated with such contracts;

- the number of direct, on-project jobs created or sustained by the Federal funds provided and, to the extent possible, the estimated indirect jobs created or sustained in the associated supplying industries, including the number of job-years created and the total increase in employment since the date of enactment; and

- information tracking the actual aggregate expenditures by each grant recipient from State sources for projects eligible for funding under the program during the period from the date of enactment through September 30, 2010, compared to the level of expenditures that were planned to occur during such period as of the date of enactment.

The first periodic report is due not later than 90 days (May 18, 2009) after the date of enactment, and subsequent reports are due not later than 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act.[12]

READY-TO-GO INFRASTRUCTURE INVESTMENTS

- While certain infrastructure projects may require years of engineering and environmental analysis, followed by a lengthy contract award process, a subset of projects – such as projects involving rehabilitation and repair of existing infrastructure – can move much more quickly, with work beginning within 90 to 120 days.[13]

- The Recovery Act requires funds to be invested in ready-to-go projects. Priority will be given to projects that can be started and completed quickly.[14] For instance, State Departments of Transportation (DOTs) have a tremendous backlog of highway resurfacing needs. State DOTs often have open-ended contracts in place for resurfacing projects, which means that work could begin immediately upon receipt of additional funds. Similarly, many State DOTs have bridge deck overlay projects, in which the top two or three inches of concrete on the surface of the bridge (e.g., the deck) is replaced, which are ready-to-go.

- Even before the U.S. Department of Transportation apportioned formula funds to States, cities, and public transit agencies, State DOTs put out bids (typically for a period of 30 days) for ready-to-go projects. After receipt of the bids and contract award, work can begin on

[12] *Id.* § 1201.
[13] The Federal Highway Administration's "August redistribution" of highway funds illustrates the ability of States to obligate additional funds quickly when they become available. In August of each year, States that cannot use their entire obligation authority return the unused authority to the Federal Highway Administration, which then redistributes it to States that can use the funds prior to the end of the fiscal year on September 30.
[14] *See id.* § 1602.

the project within an additional 30 days. **<u>In this way, the Recovery Act has "put shovels in the ground" within 90 to 120 days of the date of enactment.</u>**

<u>ECONOMIC IMPACT:</u> MORE THAN 1.8 MILLION JOBS AND $323 BILLION OF ECONOMIC ACTIVITY

- The $64.1 billion of Federal infrastructure investment will **create or sustain more than 1.8 million jobs and $323 billion of economic activity**. Each $1 billion of Federal funds invested in infrastructure creates or sustains approximately 34,779 jobs and $6.2 billion in economic activity.[15]

- A national survey found that transportation construction contractors hire employees within three weeks of obtaining a project contract. These employees begin receiving paychecks within two weeks of hiring.

- In addition, this infrastructure investment will **increase business productivity** by reducing the costs of producing goods in virtually all industrial sectors of the economy. Increased productivity results in increased demand for labor, capital, and raw materials and generally leads to lower product prices and increased sales.

- This investment will specifically help unemployed construction workers. The construction sector has lost 1,866,000 jobs since the recession began in December 2007. The unemployment rate in construction was 21.8 percent in April 2010. As of April 2010, there are 1,919,000 unemployed construction workers in the nation.

- An analysis by a national transportation construction association shows between May 2009 and April 2010, the value of new contracts for highway pavement projects rose to $44.7 billion, a 20.8 percent increase from the period between May 2008 and April 2009, when highway contract awards totaled $37 billion. New contract awards for bridge construction projects rose by 16.9 percent during the same time period, from $14.2 billion to $16.6 billion. Furthermore, the value of highway and bridge contract awards year to date through April 2010 is up by $4.5 billion — from $14.8 billion to $19.3 billion.

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[15] These estimates are based on 2007 Federal Highway Administration (FHWA) data on the correlation between highway infrastructure investment and employment and economic activity, and assume a 20 percent State or local matching share of project costs. Some infrastructure programs have slightly higher or lower estimates of the number of jobs created or the economic activity generated per $1 billion of Federal funds invested. To enable easy comparisons among the elements of the bill, this document presumes the FHWA model for employment and economic activity. In the overwhelming majority of cases, the requirement for State or local matching funds would be waived under this proposal. Where appropriate, estimates of employment and economic activity have been adjusted to reflect these match waivers.

- In contrast to the economic stimulus effect from tax cuts, virtually all of the stimulus effect from public infrastructure investment will be felt in the United States. Not only would the construction work be done here, but most transportation construction materials and equipment are manufactured in the United States, as well.[16]

MINORITY-OWNED AND WOMEN-OWNED BUSINESS IMPACT:

- This investment will also help address the disproportionate effect that the increase in unemployment has had on people of color. In April 2010, the rate of unemployment for African Americans was 16.5 percent – 83 percent higher than the rate for whites. The unemployment rate for Hispanic or Latino Americans was 12.5 percent, 38 percent more than the rate for whites.

- Congress has established a national 10 percent aspirational program goal for firms certified as Disadvantaged Business Enterprises ("DBEs"), including minority- and women-owned businesses, with respect to highway, transit, aviation, and other infrastructure programs. As a general rule, States, cities, and infrastructure financing authorities are required to establish an annual DBE participation goal that reflects what DBE participation would be in the absence of discrimination. The DBE program applies to all Recovery Act transportation and infrastructure programs.

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[16] Previous experience with using public infrastructure investment to stimulate the economy can be found with the Public Works Acceleration Act (P.L. 87-658), signed by President Kennedy on September 14, 1962. Under this program, a total investment of $1.8 billion ($880 million Federal investment and $920 million in local investment) generated 250,000 job-years. *See* Public Works Acceleration Act, 42 U.S.C. § 2641 (1962).

HIGHWAYS AND BRIDGES – $27.5 BILLION

Recovery Act:

1. **Provides $26.66 billion in funding for Federal-Aid Highway formula investments.**
2. **Provides $150 million for Puerto Rico and Territorial Highway Programs.**
3. **Provides $550 million for roads on Federal and Indian lands, including $170 million for National Park Roads, $310 million for Indian Reservation Roads, $60 million for Forest Roads, and $10 million for Refuge Roads.**
4. **Provides $60 million for competitive discretionary Ferry Boat capital grants to States.**
5. **Provides $20 million for On-the-Job Training.**
6. **Provides $20 million for Disadvantaged Business Enterprise bonding assistance.**

Distribution: Distributes Federal-aid Highway funds through a hybrid formula to States (50 percent through Surface Transportation Program formula and 50 percent apportioned via the FY 2008 obligation limitation ratio distribution). States must sub-allocate 30 percent of funds to local governments. Distributes National Park, Indian Reservation, Forest, and Refuge Road funds pursuant to existing administrative processes. Of all the funds provided to a State, three percent must be used for transportation enhancements. Formula funds must be apportioned by the Federal Highway Administration (FHWA) within 21 days (March 10, 2009) of the date of enactment.

Additional Uses of Funds: Expands uses to include stormwater runoff, passenger and freight rail, and port infrastructure projects.

Prioritization: Prioritizes funds on projects that could be completed in three years (February 17, 2012) and are in economically distressed areas of the State,[17] except that, for Ferry Boat projects, priority shall be given to projects that can be completed within two years (February 17, 2011) of enactment.

Shovel-Ready Deadlines: Requires 50 percent of the funds apportioned to the States to be obligated within 120 days (June 30, 2009) after the date of apportionment. Funds not obligated in accordance with this requirement will be withdrawn and redistributed to other States that had no funds withdrawn. Funds suballocated to local governments are not subject to the 120-day redistribution. All 50 States met this requirement.

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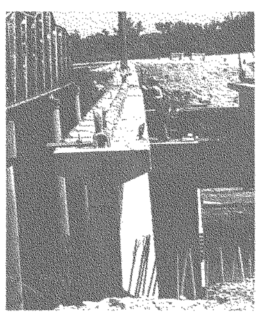
[17] On August 24, 2009, DOT released supplemental guidance on the determination of economically distressed areas. For more information, see: http://www.fhwa.dot.gov/economicrecovery/guidancedistressed.htm.

One hundred percent of funds must be obligated within one-year (March 2, 2010) of apportionment. All 50 States met this requirement.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FHWA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[18]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[19]

Recovery Act Implementation: Of the amount awarded to date, Recovery Act investments will result in improvements to 34,438 miles of highway and 1,262 bridges.[20]



FHWA has approved 12,604 highway projects totaling $26.4 billion. This amount represents nearly 100 percent of the total available highway funds.

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[18] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1201 (2009).
[19] *Id.* § 1512.
[20] Miles and bridge improvement information is based on obligations as of March 23, 2010.

<u>Federal-Aid Highway Formula Investments and Puerto Rico and Territorial Highway Programs ($26.81 billion)</u>: All 50 States, five Territories, and the District of Columbia have submitted and received approval for 12,194 projects totaling $26 billion, approximately 100 percent of the available Recovery Act highway formula funds.[21]

Out to Bid

According to submissions received by the Committee from States, as of April 30, 2010, all 50 States, five Territories, and the District of Columbia have put out to bid 11,855 projects totaling $25.1 billion, representing 95 percent of the total available highway formula funds.

Signed Contracts

All 50 States, five Territories, and the District of Columbia have signed contracts for 10,784 projects totaling $22.9 billion, representing 87 percent of the funds.

Work Underway

Work has begun on 9,480 projects in 50 States, five Territories, and the District of Columbia, totaling $21.1 billion, representing 80 percent of the funds.

Completed

Work has been completed on 3,388 projects in 48 States, one Territory, and the District of Columbia, totaling $3.1 billion, representing 12 percent of the funds.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of projects underway include:

- I-405 Sepulveda Pass Widening in Los Angeles, California ($190 million): Construction began in May 2009 on this billion-dollar project, which uses Recovery Act funds to build 10 miles of new HOV lane between the I-10 (Santa Monica Freeway) and the US-101 (Ventura Freeway). In addition to new highway capacity, this project will improve supporting infrastructure along the route such as reinforcing 27 on- and off-ramps, widening 13 underpasses, and building nearly 18 miles of retaining and sound walls. When completed, there will be 72 continuous miles of bus/carpool lanes on I-405 from the San Fernando Valley to Orange County. This project will also cut daily commutes by 20 minutes per

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[21] FHWA approved slightly less than their original allocation because 19 States chose to transfer funds for transit projects. Transfers occur when States and local authorities choose to use their Recovery Act highway funds for transit projects in their respective locale. After March 2, 2010, a number of States also deobligated funds because they received lower than anticipated bids for highway projects. States have until September 30, 2010, to obligate these remaining available funds.

On March 2, 2009, FHWA issued Federal-aid Highway formula apportionments to States. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

person, or more than seven million hours annually, which will also improve local air quality. This freeway serves more than 280,000 drivers each day; and

- Ft. Duquesne Bridge Preservation in Pittsburgh, Pennsylvania ($26.2 million): This project, entirely funded by the Recovery Act, is a vital transportation link for the region. These funds will pay for preservation to ensure the bridge stays in good condition for its estimated 80,000 daily drivers. Work includes improvements on 16 bridge and ramp structures as well as steel, concrete, and deck repairs.

For up-to-date information on projects obligated, underway, and completed, see: http://www.fhwa.dot.gov/economicrecovery/weeklylists.htm.

Federal and Indian Lands ($550 million): FHWA has awarded 360 projects totaling $403 million, representing 73 percent of the funds for Federal and Indian Lands. Work is underway on 114 projects totaling $237 million, representing 43 percent of the available funds.

An example of a project underway includes:

- Yosemite National Park in California ($8 million): This project is approximately 90 percent complete and the improved roads are currently open to public traffic. Located in an economically distressed area, the project will rehabilitate five miles of paved roadway and two lane miles of paved parking. Existing deficiencies, such as incorrect roadway superelevation, will be corrected in addition to the replacement of the deteriorated pavement. Turnouts within the project limits will be rehabilitated and improved as needed. Reconstruction and realignment of the Chinquapin intersection will address the higher-than-normal accident rate for that particular location. FHWA expects works to be complete in May 2010.

Ferry Boat Capital Grants to States ($60 million): On July 10, 2009, FHWA announced $60 million in Ferry Boat capital grants for 29 projects in 19 States and the Virgin Islands. Of these announced projects, FHWA has approved 18 projects totaling $21 million, representing 35 percent of the total funds for Ferry Boat capital grants. Work is underway on 10 projects totaling $14 million, representing 23 percent of the available funds.

An example of a project underway includes:

- Ferry Vessel Construction in Port Aransas, Texas ($6.5 million): This project will add a 28-car capacity vessel to the ferry system to reduce delays. Over the next 10 years, the ferry is projected to carry on average 8,000 vehicles per day, with peaks in excess of over 13,000 vehicles per day.

On-the-Job Training ($20 million): FHWA has awarded 32 training grants worth $12 million, representing 59 percent of the total apportionment for On-the-Job Training. Work is underway on 13 projects totaling $4 million, representing 20 percent of the available funds.

These grants fund training centers and apprenticeships for underrepresented or disadvantaged people seeking careers in transportation, engineering, or construction. An example of a project underway includes:

- Wichita Metro Area Project in Kansas ($200,400): This grant will provide supportive services to increase the total number of minorities, women, and disadvantaged individuals participating in the Federal-aid highway construction industry. The Kansas Contractors Association offers a variety of craft-worker training courses that can quickly improve the skills of the workers who build roads and bridges. The association provides instructors, facilities, materials, and administration to organize courses held all across the State.

Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): The U.S. Department of Transportation has approved 23 applications for bonding assistance, totaling $300,000.[22]

An example of a project includes:

- Pedestrian Facility Improvements in South Carolina ($15,872): The Department recently approved three awards for AOS Specialty Construction, a woman-owned DBE in South Carolina, to improve pedestrian facilities and provide connectivity to public locations in close proximity to schools, public buildings, community centers, and businesses.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a map of projects, see:
https://fhwaapps.fhwa.dot.gov/rap/

Economic Impact: Creates more than 765,000 jobs and $136 billion of economic activity.

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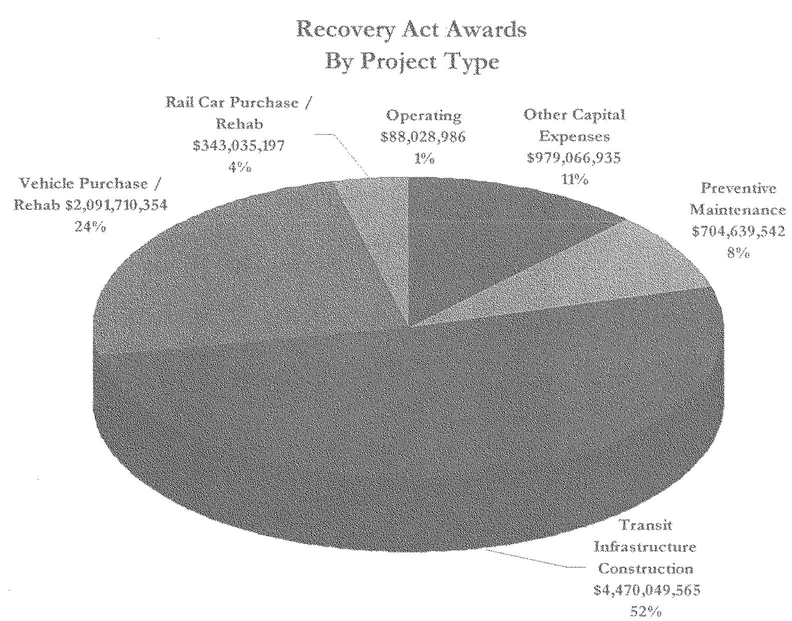
[22] On August 31, 2009, DOT announced that small and disadvantaged businesses may now apply to be reimbursed for bonding premiums and fees incurred when competing for, or performing on, Recovery Act transportation projects. The Recovery Act created this new program to help small and disadvantaged businesses better compete for Recovery Act transportation funds. Only qualified bonds obtained from August 28, 2009, to September 8, 2010, are eligible for this assistance. Applications are due by September 8, 2010. For more information, see: http://www.dot.gov/recovery/ost/osdbu/index.htm.

TRANSIT – $8.4 BILLION

Recovery Act Implementation: Of the amount awarded to date, Recovery Act transit investments will results in:

- the purchase or rehabilitation of 12,230 buses, rail cars, and paratransit vans ($2.4 billion);
- the construction or rehabilitation of 5,039 passenger facilities ($1.5 billion); and
- the construction or rehabilitation of 284 maintenance facilities ($884 million).[23]

The Federal Transit Administration (FTA) has awarded 1,012 grants totaling $8.7 billion in all 50 States, five Territories, and the District of Columbia, representing 100 percent of the available transit funds.[24] FTA plans to use the awarded funds according to the following project types:



Source: FTA

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[23] Information is based on awards as of March 5, 2010.
[24] FTA awarded more than their original allocation because FTA received $370 million in 59 transfers from FHWA.

TRANSIT URBAN AND RURAL FORMULA GRANTS – $6.8 BILLION

Recovery Act: Provides $6.8 billion in transit capital and operating grants for ready-to-go projects, including $5.44 billion using the current transit urban formula, $680 million using the current transit rural formula, and an additional $680 million to both urban and rural areas using the current Growing States and High Density States formula.

Distribution: Distributes transit urban and rural formula funds to States, cities, and public transit agencies pursuant to existing statutory transit formulas under 49 U.S.C. § 5307, 49 U.S.C. § 5311, and 49 U.S.C. § 5340.

Prioritization: Formula funds must be apportioned by FTA within 21 days (March 10, 2009) of enactment.

Shovel-Ready Deadlines: Requires States, cities, and public transit agencies to obligate at least $3.4 billion (50 percent) of these funds within 180 days (September 1, 2009) of the date of apportionment. Funds not obligated in accordance with this requirement will be withdrawn and redistributed to other urbanized areas or States that had no funds withdrawn. All States, cities, and public transit agencies met this requirement.

One hundred percent of funds must be obligated within one-year (March 5, 2010) of apportionment. All States, cities, and public transit agencies met this requirement.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[25]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[26]

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[25] *Id.* § 1201.
[26] *Id.* § 1512.

Recovery Act Implementation: FTA has awarded $7.1 billion for 909 projects in all 50 States, five Territories, and the District of Columbia.[27] This represents 100 percent of the available funding.[28]

Out to Bid

According to submissions received by the Committee from States and public transit agencies, as of April 30, 2010, 3,883 projects have been put to bid in all 50 States, two Territories, and the District of Columbia, totaling $5 billion, representing 70 percent of the total available transit capital formula funds.

Signed Contracts

Contracts have been signed for 3,716 projects in 50 States, one Territory, and the District of Columbia totaling $4.7 billion, representing 66 percent of the funds.

Work Underway

Work has begun on 3,536 projects in 50 States, one Territory, and the District of Columbia totaling $5.4 billion, representing 76 percent of the funds.

Completed

Work has been completed on 1,658 projects in 47 States and the District of Columbia totaling $984 million, representing 14 percent of the funds.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of projects underway include:

➢ Santa Clara Valley Transportation Authority (VTA) in San Jose, California ($42.2 million): The VTA has purchased 70 new, 40-foot hybrid buses from Gillig, LLC of Hayward, California. These hybrid buses will be used to replace buses that have been in service since the early 1990s. The addition of the hybrid buses to VTA's operating fleet will help VTA comply with new, more stringent State and Federal emissions requirements. This purchase also continues VTA's commitment to green technology, with the new hybrid buses joining an additional 90 hybrid paratransit and non-revenue vehicles. VTA riders will realize immediate benefits provided by these new vehicles, including the low-floor configuration and the enhanced lift systems that provide easier access for mobility-impaired individuals and reduce overall dwell time; and

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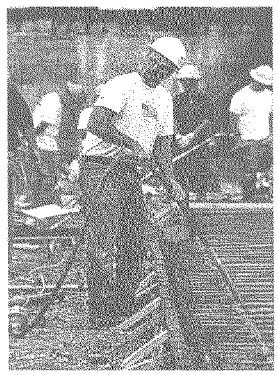
[27] On March 5, 2009, FTA issued public transit urban and rural formula funds apportionments to States and public transit agencies. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

[28] This total includes 59 transfers totaling $370 million from FHWA and 12 Tribal Transit grants totaling $5 million.

- Grays Harbor Transit's Station Expansion in Aberdeen, Washington ($500,000): Grays Harbor Transit has started construction on this station. This project will enhance safety for both riders and local traffic and will accommodate future growth of bus ridership. The station improvements include expanding its size, installing better lighting, adding security cameras, and providing a covered seating area for passengers. A park-and-ride lot will be expanded to provide parking for up to 35 vehicles, and sidewalks and bike racks will make the station more accessible. Currently, buses leaving the station pull onto one of the busiest traffic corridors through Aberdeen, and must merge across three lanes of traffic in order to turn onto their routes. Upon completion, bus traffic will enter onto a less busy street.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates more than 189,000 jobs and $34 billion of economic activity.**

TRANSIT GREENHOUSE GAS AND ENERGY REDUCTION FUNDING – $100 MILLION

Recovery Act: Provides $100 million of discretionary transit capital grants to public transit agencies to reduce energy consumption or greenhouse gas emissions of their public transportation systems.

Distribution: Distributes transit energy funds to public transit agencies as discretionary grants.

Prioritization: Prioritizes funds for projects based on the total energy savings that are projected to result from the investment, and projected energy savings as a percentage of the total energy usage of the public transit agency.

Shovel-Ready Deadlines: Requires public transit agencies to obligate at least 50 percent of these funds within 180 days (September 1, 2009) of the date of allocation. Requires public transit agencies to obligate all of the funds within one year (March 5, 2009) of the date of allocation. The Secretary of Transportation may provide an extension of time if a city or State has encountered an unworkable bidding environment or other extenuating circumstances.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[29]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[30]

Recovery Act Implementation: On September 21, 2009, FTA announced 43 Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants in 27 States, totaling the entire $100 million in available funding.[31] FTA has awarded 41 grants totaling $97 million, representing 97 percent of the available TIGGER funding.

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[29] *Id.* § 1201.
[30] *Id.* § 1512.
[31] FTA received $2 billion in proposals.

Examples of projects include:

- Rock Island Solar Thermal Hot Water System in Rock Island, Illinois ($600,000): Rock Island plans to purchase and install a solar thermal hot water system for their new transit maintenance facility building. This project will help create a sustainable transit maintenance facility for the Rock Island Metropolitan Mass Transit District using energy alternatives that reduce both energy consumption and emissions; and

- Massachusetts Bay Transit Authority (MBTA) Wind Energy Generation Turbines in Massachusetts ($2.5 million): The MBTA plans to install two renewable wind energy generation turbines at the Kingston Layover Facility (100 kW), and the Newburyport Station (600 kW). The MBTA is the largest single electricity consumer in Massachusetts, consuming nine percent of all electricity consumed in the Commonwealth. With the installation of renewable wind energy turbines, the MBTA will generate power to operate its own facilities or return power back to the regional grid, thereby providing clean energy to the region. Both facilities currently consume energy to support the plugging-in of trains for storage, maintenance, and passenger waiting facilities. The annual electricity use at both facilities is 2,815,738 kW-h. This investment will allow the MBTA to reduce their energy consumption at these locations by 75 percent.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 2,800 jobs and $500 million of economic activity.

FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT – $750 MILLION

Recovery Act: Provides $750 million for transit fixed guideway modernization projects.

Distribution: Distributes funds through the existing fixed guideway modernization formula.

Prioritization: Formula funds must be apportioned by FTA within 21 days (March 10, 2009) of enactment.

Shovel-Ready Deadlines: Requires public transit agencies to obligate at least $375 million (50 percent) of these funds within 180 days (September 1, 2009) of the date of apportionment. All States, cities, and public transit agencies met this requirement.

Requires public transit agencies to obligate all of the funding within one year (March 5, 2010) of the date of apportionment. All States, cities, and public transit agencies met this requirement.

<u>Transparency and Accountability Requirements</u>: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[32]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[33]

<u>Recovery Act Implementation</u>: FTA has awarded 51 grants worth $743 million in 27 States, Puerto Rico, and the District of Columbia. [34] This amount represents 100 percent of the total available funds.

<u>Out to Bid</u>

According to submissions received by the Committee from States and public transit agencies, as of April 30, 2010, 140 projects have been put to bid in 24 States and the District of Columbia, totaling $652 million, representing 88 percent of the total available fixed guideway formula funds.

<u>Signed Contracts</u>

Contracts have been signed for 135 projects in 24 States and the District of Columbia totaling $631 million, representing 85 percent of the funds.

<u>Work Underway</u>

Work has begun on 132 projects in s States and the District of Columbia totaling $632 million, representing 85 percent of the funds.

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[32] *Id.* § 1201.
[33] *Id.* § 1512.
[34] On March 5, 2009, FTA announced the allocation of these formula funds. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

Completed

Work has been completed on 23 projects in 13 States totaling $49 million, representing seven percent of the funds.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of projects underway include:

- Fitchburg CPF-43 Interlocking in Fitchburg, Massachusetts ($10.2 million): This project supports the first phase of a massive rail improvement project on the Fitchburg line along the Massachusetts Bay Transportation Authority's (MBTA) 50-mile corridor from Fitchburg to Boston, the longest line in MBTA's system. The funds are being spent to do interlocking work – switches that enable trains to move from one track to another – on 13 miles of rail between Ayer and Fitchburg. The project will enable the authority to increase capacity and provide faster travel times on the line, allowing trains to easily get around a delay or obstacle on the line. The Massachusetts Bay Commuter Railroad Company, which retains a contract to operate and maintain MBTA's commuter-rail network, began preliminary construction in the fall of 2009 and hired 15 track laborers to help upgrade this commuter-rail line; and

- 55th Street Station rehabilitation and track upgrades in Cleveland, Ohio ($11.2 million): The funds will be used to continue modification of the Greater Cleveland Regional Transit Authority's 55th Street Station in conjunction with the surrounding neighborhood development. The station will be center-platform, allowing for a wider platform and simplified vertical circulation. The station will incorporate passenger enhancements, a park and ride facility, and a bus loop for bus operation. Recovery Act funds have assisted the transit agency in retaining 159 jobs.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

__Economic Impact__: **Creates approximately 20,900 jobs and $3.7 billion of economic activity.**

TRANSIT NEW STARTS CONSTRUCTION – $750 MILLION

Recovery Act: Provides $750 million in transit capital grants for New Starts construction projects.

Distribution: Distributes New Starts project construction funds to public transit agencies pursuant to existing authority under SAFETEA-LU, FTA Full Funding Grant Agreements, and FTA Project Construction Grant Agreements. FTA would determine the distribution of funds through its existing competitive process.

Prioritization: Prioritizes funds on projects that are currently in construction or are able to obligate funds within 150 days (July 16, 2009) of enactment.

Shovel-Ready Deadlines: FTA must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[35]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[36]

Recovery Act Implementation: FTA has awarded 11 grants totaling $743 million in eight States and the District of Columbia.[37] This amount represents 100 percent of the total available funds.

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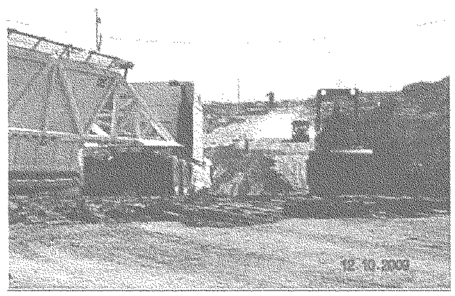
[35] *Id.* § 1201.
[36] *Id.* § 1512.
[37] On May 11, 2009, FTA announced the allocation of New Starts funding.

An example of a project underway includes:

- Dallas Area Rapid Transit (DART) Orange Line Construction in Dallas, Texas ($61.2 million): This project supports the 14-mile Orange Line rail construction project that will connect Dallas, the thriving Las Colinas Urban Center in Irving, and ultimately DFW International Airport, opening to Las Colinas in 2011 and DFW Airport in 2013. This project represents a public transit investment in excess of $817 million. More than 80 contractors, based in 14 States, are bringing this project to fruition. This project already has attracted one of the country's largest transit-oriented development programs with a private and municipal investment of $3.7 billion around the first six rail stations. The City of Irving, in particular, is constructing a $114 million, 270,000-square foot convention center. Together, these modern transit villages are expected to draw nearly 10,500 new residents and 18,000 new employees. Over 600 direct, on-project jobs are being created or sustained by these funds.



To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates more than 50,000 jobs and $9 billion of economic activity. Furthermore, the additional $750 million of New Starts funding will make available an additional $1.5 billion of contingent commitment authority to enable FTA to sign more New Starts funding agreements for future transit construction projects.**

RAIL – $9.3 BILLION

Recovery Act:

1. **Provides $1.3 billion for capital grants to Amtrak, of which $450 million shall be used by Amtrak for safety and security improvements.**

2. **Provides $8 billion for high-speed rail, intercity passenger rail, and congestion capital grants to States.**

Distribution: Distributes $1.3 billion of capital grants to Amtrak; distributes $8 billion of high-speed rail, intercity passenger rail, and congestion grants to States on a competitive basis to pay for the cost of capital projects, as provided for in section 501 of the Passenger Rail Investment and Improvement Act of 2008 (Division B of P.L. 110-432) and chapter 244 of Title 49, United States Code.

Prioritization: For capital grants to Amtrak, priority shall be given to projects for the repair, rehabilitation, or upgrade of railroad assets or infrastructure, and for capital projects that expand passenger rail capacity, including the rehabilitation of rolling stock. For high-speed rail, intercity passenger rail, and congestion grants, priority shall be given to projects that support the development of high-speed rail service.

Shovel-Ready Deadlines: For capital grants to Amtrak, the Secretary shall ensure that projects funded with economic recovery funds provided to Amtrak shall be completed within two years (February 17, 2011) of enactment. 100 percent of the funds must be obligated by September 30, 2010. For high-speed rail, intercity passenger rail, and congestion grants, 100 percent of the funds must be obligated by September 30, 2012.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the Federal Railroad Administration (FRA) on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[38]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

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[38] *Id.* § 1201.

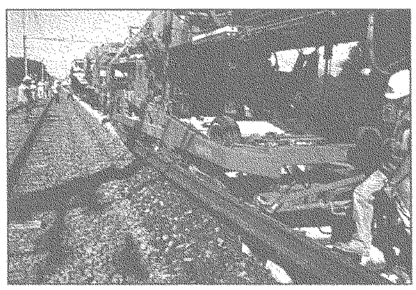
calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[39]

Recovery Act Implementation:

Amtrak ($1.3 billion): Work is underway on 208 projects totaling $1.3 billion, representing nearly 100 percent of the total Amtrak Recovery Act funds, as of May 17, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 615 contracts totaling $778 million. Amtrak has made 44 percent of the total number of awards to small businesses.

Recovery Act investments will result in:

- replacing 130,000 concrete ties, of which 105,000 have been completed;[40]

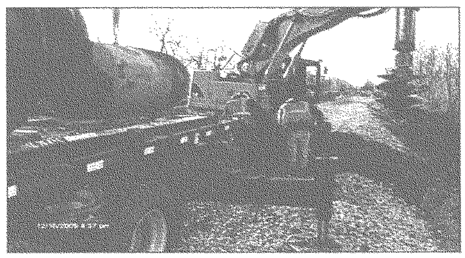


- restoring and returning to service 60 Amfleet cars, 21 Superliners, and 15 P-40 locomotives;
- improving 270 stations;
- improving 38 maintenance facilities; and
- replacing or maintaining nine bridges.

[39] *Id.* § 1512.
[40] Information on completed concrete ties is as of May 17, 2010.

Examples of projects underway include:

- Ivy City Substation in Washington, DC ($20 million): Work has already been completed on the five-mile access road, 32 of 66 caisson holes (see picture below), and excavation for a substation underway. The project also includes constructing a new substation and transmission line to provide stable voltages, redundancy, and reliable, traction power to trains. Amtrak will complete this project in January 2011; and



- Wilmington Station Rehabilitation in Wilmington, Delaware ($20 million): Construction began in June 2009. Restoration of this historic station includes improvements to the ADA compliant platform, track bed waterproofing, exterior rehabilitation, interior renovations, new plumbing, HVAC, electrical system, and waiting room. To date, Track 2 and 3 bed waterproofing and roof replacement of North and Center platforms are completed. All work on this project should complete by February 2011.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

High-Speed Rail and Intercity Passenger Rail Grant Programs ($8 billion): On January 28, 2010, President Obama announced $8 billion in Recovery Act grants to develop America's first nationwide program of high-speed intercity passenger rail service. In total, these awards will develop or lay the groundwork for 13 new, large-scale high-speed rail corridors across the country. The major corridors are part of a total of 31 States receiving investments, including smaller projects and planning work that will help lay the groundwork for future high-speed intercity rail service.[41]

The announced grants include:

- corridor programs: these investments will develop entire phases or geographic sections of high-speed rail corridors that have completed corridor plans, environmental documentation, and have a prioritized list of projects to help meet the corridor objectives;

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[41] FRA received over $55 billion in applications.

- individual projects: providing grants to complete individual projects that are ready-to-go with completed environmental and preliminary engineering work with an emphasis on near term job creation. Eligible projects include acquisition, construction of or improvements to infrastructure, facilities, and equipment. These projects will create jobs quickly by upgrading local and regional networks and making connections to better knit together the nation's rail system, improving safety, and reducing congestion; and

- planning: entering into cooperative agreements for planning activities, including development of corridor plans and State Rail Plans.[42]

The 13 corridors include:

- California;
- Eugene-Portland-Seattle;
- Chicago-St. Louis-Kansas City;
- Minneapolis-Milwaukee-Chicago;
- Cleveland-Columbus-Cincinnati;
- Detroit-Chicago;
- Tampa-Orlando-Miami;
- Charlotte-Richmond-Washington, DC;
- New York-Albany-Buffalo-Montreal;
- Boston-New York-Washington, DC (Northeast Corridor);
- Brunswick-Portland-Boston;
- Philadelphia-Harrisburg-Pittsburgh; and
- New Haven-Springfield-St. Albans.

To view the specific projects, see: http://www.whitehouse.gov/files/documents/100128_1400-HSRAwards-Summary_FRA%20Revisions.pdf.

To view a national map of selected projects, see: http://www.fra.dot.gov/us/content/2243.

To read descriptions of designated high-speed rail corridors, see: http://transportation.house.gov/Media/file/Full%20Committee/Stimulus/High%20Speed%20Rail%20Corridor%20Descriptions.pdf.

<u>Economic Impact:</u> Creates approximately 259,000 jobs and $46 billion of economic activity.

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[42] Congress provided funding for planning through the U.S. DOT FY 2008 and 2009 appropriations.

NATIONAL SURFACE TRANSPORTATION SYSTEM DISCRETIONARY GRANTS - $1.5 BILLION

The Recovery Act: Provides $1.5 billion to the Secretary of Transportation to make competitive discretionary grants for surface transportation projects that will have a significant impact on the Nation, a metropolitan area, or a region. Projects eligible for funding under this program include highway or bridge projects eligible under title 23, U.S.C.; public transportation projects eligible under chapter 53 of title 49, U.S.C., including investments in projects participating in the New Starts or Small Starts programs that will expedite the completion of those projects; passenger and freight rail transportation projects; and port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement. The Secretary may use up to $200 million of the $1.5 billion to provide credit assistance to projects under the Transportation Infrastructure Finance and Innovation Act ("TIFIA") program.

Distribution: The Secretary of Transportation shall award discretionary grants to State and local governments or transit agencies based on project selection criteria to be published not later than 90 days (May 18, 2009) after the date of enactment. A grant funded under this program shall be not less than $20 million and not more than $300 million, although the Secretary may waive the minimum grant size for the purpose of funding significant projects in smaller cities, regions, or States. Not more than 20 percent of the funds under this program may be awarded to projects in a single State. The Secretary shall ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities.

Prioritization: Prioritizes funds on projects that require a contribution of Federal funds in order to complete an overall financing package, and to projects that are expected to be completed within three years (February 17, 2012) of the date of enactment.

Shovel-Ready Deadlines: Grant applications must be submitted not later than 180 days (November 14, 2009) after the publication of project selection criteria. The Secretary shall announce all projects selected for funding not later than one year (February 17, 2010) after the date of enactment.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the Office of the Secretary of Transportation (OST) on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[43]

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[43] *Id.* § 1201.

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[44]

Recovery Act Implementation: On February 17, 2010, Secretary LaHood announced 51 Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants in 40 States and the District of Columbia, totaling the entire $1.5 billion. TIGER grants will fund transportation projects including improvements to roads, bridges, rail, ports, transit, and intermodal facilities. Sixty percent of the funding will promote projects in economically distressed areas.

DOT received more than 1,400 applications for TIGER grants from all 50 States, three Territories, and the District of Columbia, totaling nearly $60 billion.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates more than 41,000 jobs and $7 billion of economic activity.

[44] *Id.* § 1512.

Aviation – $1.3 Billion

Recovery Act Implementation:

- Work is underway or completed on 704 projects ($1.2 billion), representing 95 percent of the total available Recovery Act aviation funds; and
- Within this total, work is underway on 273 projects ($762 million), and work is completed on an additional 431 projects ($480 million).

Airport Improvement Program – $1.1 Billion

Recovery Act: Provides $1.1 billion for airport capital improvements through the Airport Improvement Program (AIP).

Distribution: Distributes funds to airports through the existing AIP Discretionary Grants program. The Federal Aviation Administration (FAA) will determine the distribution of funds through its existing competitive process and national priority system.

Prioritization: Prioritizes funds on projects that can be completed within two years (February 17, 2011) of enactment, and serve to supplement and not supplant planned expenditures from airport-generated revenues or from other State and local funding sources.

Shovel-Ready Deadlines: The Secretary shall award grants totaling not less than 50 percent of the $1.1 billion within 120 days (June 17, 2009) of the date of enactment, and award grants for the remaining amounts not later than one year (February 17, 2010) after the date of enactment.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the FAA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[45]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

[45] *Id.* § 1201.

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[46]

Recovery Act Implementation:

- Work is underway or completed on 360 projects ($1.1 billion), representing 100 percent of the funding for airport grants; and

- Within this total, work is underway on 139 projects ($630 million), and work has been completed on an additional 221 projects ($468 million).

Recovery Act investments will result in:

- runway improvements: 155 projects at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million);

- taxiway improvements: 82 projects at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million);

- apron improvements: 51 projects at 48 airports that support more than 6,500 aircraft based at these airports ($188 million); and

- terminal buildings and aircraft rescue and firefighting buildings improvements at 33 airports that accommodate 2.5 million annual takeoffs/landings and serve 33 million enplaned passengers ($117 million).

Examples of projects underway include:

- Washington Dulles International Airport (IAD) in Chantilly, Virginia ($15 million). The FAA provided funds to rehabilitate a portion of Runway 1C/19C. The project removed and replaced the existing 50 year old concrete. The project also completed three connecting taxiways between the passenger terminal apron and the new west runway. Work started in mid-July 2009 and the runway reopened in early December 2009.

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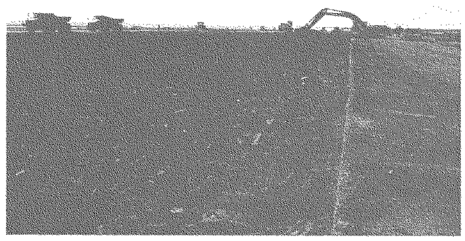
[46] *Id.* § 1512.

In addition to the employment impacts, the project will reduce airport maintenance costs and enable more efficient movement of aircraft, thereby reducing taxi time, delays, and fuel consumption. The airport reports an estimated 300 jobs have been funded by the Recovery Act.



- Omaha-Epply Airfield (OMA) in Omaha, Nebraska ($13.1 million): These funds are already rehabilitating a portion of Runway 14R/32L. The project removes and replaces the existing concrete pavement originally constructed in 1950 and is part of a larger effort to completely rehabilitate the longest commercial runway and several associated taxiways at this airport. Several phases of the runway rehabilitation project started in March 2009. The airport reports an estimated 68 jobs have been funded because of this project.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852

<u>Economic Impact</u>: **Creates approximately 30,600 jobs and $5.5 billion of economic activity.**

FAA FACILITIES & EQUIPMENT – $200 MILLION

Recovery Act: **Provides $200 million for capital improvements to the FAA facilities.**

Distribution: Funds may be distributed through the FAA's existing administrative processes or in the form of grants. Within 60 days (April 17, 2009) of the date of enactment, the FAA Administrator shall establish a procedure for applying for grants under this program, reviewing such applications, and awarding grants and cooperative and other transaction agreements under this program.

Prioritization: Prioritizes funds on projects that will be completed within two years (February 17, 2011) of the date of enactment.

Shovel-Ready Deadlines: The FAA must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the FAA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[47]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[48]

Recovery Act Implementation:

- Work is underway or completed on 344 projects ($144 million), representing 72 percent of the funding for Facilities and Equipment; and
- Within this total, work is underway on 134 projects ($132 million), and work has been completed on an additional 210 projects ($12 million).

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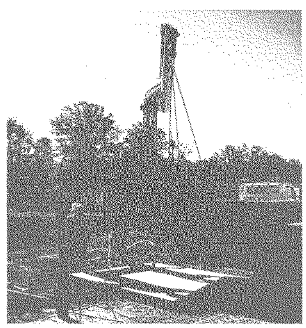
[47] *Id.* § 1201.
[48] *Id.* § 1512.

Recovery Act investments will:

- upgrade power systems: 136 projects at 100 locations ($50 million);
- modernize air route traffic control centers: 25 projects at 18 locations ($50 million);
- replace three air traffic control towers and terminal radar approach control facilities ($80 million); and
- improve lighting, navigation, and landing equipment: 587 projects at 134 locations ($20 million).

An example of a project underway includes:

- Atlanta National Network Control Center Engine Generator Project in Atlanta, Georgia ($2.5 million): This center, along with one other, process all pilot flight plans in the country. Operational problems at either center would cause major air traffic delays. The FAA determined that the Atlanta center required major infrastructure enhancements to properly support current and future operations. Accordingly, these funds resulted in a major upgrade to the 30 year old power distribution systems at the Atlanta center. Work is underway and the FAA expects to create 27 jobs as a result of this critical project.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 5,600 jobs and $990 million of economic activity.**

ENVIRONMENTAL INFRASTRUCTURE – $5.26 BILLON

CLEAN WATER STATE REVOLVING FUND – $4 BILLION

Recovery Act: Provides an additional $4 billion to construct, rehabilitate, and modernize the nation's wastewater infrastructure through the Clean Water State Revolving Fund (SRF) program. Within the existing Clean Water SRF allocation to States, direct individual State infrastructure financing authorities to: (1) utilize 50 percent of the capitalization grants for additional subsidizations in the form of negative interest loans, principle subsidization, or grants; and (2) utilize 20 percent of the capitalization grant for investment in green infrastructure projects, environmentally innovative activities, or projects or technologies that use energy and water efficient plans or components.

Distribution: Distributes $4 billion for the Clean Water SRF pursuant to the existing Clean Water Act distribution formula.

Under the Recovery Act, State infrastructure financing authorities are required to utilize 50 percent of the capitalization grant for additional subsidizations in the form of negative interest loans, principal forgiveness, or grants to increase the overall affordability of wastewater infrastructure projects.

In addition, the Recovery Act requires State infrastructure financing authorities to utilize 20 percent of the capitalization grant for investment in green infrastructure projects, water or energy efficiency improvements, or environmentally innovative activities.

Prioritization: Notwithstanding the priority rankings projects would otherwise receive under the program, prioritizes economic recovery funds on projects on a State priority list that are ready to proceed to construction within 12 months (February 17, 2010) of enactment.

Shovel-Ready Deadlines: Requires State infrastructure financing authorities to award contracts for projects or proceed to construction within one year (February 17, 2010) of the date of enactment. All States met this requirement.

Transparency and Accountability Requirements: EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of enactment of the Recovery Act.[49]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the

[49] *Id.* § 701.

information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[50]

Recovery Act Implementation: EPA has awarded $4 billion in capitalization grants to States, representing 100 percent of the total Recovery Act funds for the Clean Water SRF.[51]

Recovery Act investments will:

- construct, upgrade, or maintain publicly owned treatment works serving an estimated 60 million people, almost one-third of the U.S. population currently served by sewers – 375 projects ($1.1 billion);
- improve, rehabilitate, or expand wastewater collection systems – 500 projects ($680 million);
- protect our nation's water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 250 water or energy efficient projects ($515 million); and
- reduce stormwater runoff volumes, pollutants, and sewer overflows, and improve air quality – 200 green infrastructure projects ($200 million).

Out to Bid

According to submissions received by the Committee from States, as of April 30, 2010, 50 States, four Territories, and the District of Columbia have put out to bid 1,962 projects totaling $3.8 billion, representing nearly 100 percent of the total available Clean Water SRF formula funds.

Signed Contracts

50 States, three Territories, and the District of Columbia have signed contracts for 1,956 projects totaling $3.8 billion, representing 100 percent of the funds.

Work Underway

Work has begun on 1,836 projects in 50 States, three Territories, and the District of Columbia totaling $3.7 billion, representing 96 percent of the funds.

Completed

Work has been completed on 152 projects in 30 States and the District of Columbia totaling $75 million.

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[50] *Id.* § 1512.

[51] On March 12, 2009, EPA posted Clean Water SRF allotments by State. These allotments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

To view formula fund information by State, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of projects underway include:

- Douglas L. Smith Middle Basin Treatment Plant in Johnson County, Kansas ($15.8 million): Work on this project began on June 8, 2009. This project includes construction of a new receiving station for restaurant fats, oils, and grease and the expansion of the anaerobic digestion sludge treatment system. In addition, a digester gas handling system and a new power production system will burn digester gas to produce hot water for heating and electricity for on-site usage. This project represents Kansas' largest green project and is expected to create 270 new green jobs, result in $600,000 in cost savings annually, and reduce annual greenhouse gas emissions by more than 9,700 metric tons; and

- Snyder County Conservation District in Pennsylvania ($120,000): Work on this project, which addresses non-point source pollution of local streams through the use of forested riparian buffers, began on October 12, 2009. Approximately 51.73 acres of forested riparian buffers will be created along streams that will span over 26 different private properties and five contiguous counties. This project will prevent nitrogen, phosphorous, and sediment from entering the streams, thus improving water quality.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Buy American: EPA published three nationwide waivers of the Buy American provisions for projects funded under the Recovery Act. The first nationwide waiver, published on April 7, 2009, provides a nationwide waiver of the Buy American provisions for projects where debt was incurred on or after October 1, 2008, and before February 17, 2009 (the date of enactment). Under existing law, the Clean Water SRF can be used as leverage to refinance debt obligations incurred for the constriction of wastewater treatment projects at a lower rate. This waiver allows individual States to continue this practice, but not require the retroactive application of the Buy American provisions for projects that may have already been underway. Projects eligible for this nationwide waiver would have "specified designs", "may have solicited bids from prospective contractors", may have "awarded construction contracts, and in some cases began construction, prior to February 17, 2009."

The second nationwide waiver was published on June 2, 2009, and provides a waiver of the Buy American provisions for projects that solicited bids on or after October 1, 2008, and prior to February 17, 2009. Similar to the previous waiver, this waiver would prohibit the retroactive application of the Buy American provisions to projects for which bids had already been submitted prior to the enactment of the Recovery Act.

The third nationwide waiver, published on June 2, 2009, and revised on August 10, 2009, provides a waiver of the Buy American provisions for "de minimis" incidental components of projects financed through the Recovery Act. This waiver would allow for the use of non-domestic iron, steel, and manufactured goods in a project provided that such components "comprise in total a *de minimus* amount of the project, that is, for any such incidental components up to a limit of no more than 5 percent of the total cost of the materials used in and incorporated into a project."

EPA has also granted 47 regional waivers for individual projects. A list of these regional waivers can be found on EPA's Recovery Act implementation website: http://www.epa.gov/ow/eparecovery/.

Economic Impact: Creates approximately 111,000 jobs and $20 billion of economic activity.

SUPERFUND – $600 MILLION

Recovery Act: Provides $600 million for the Superfund program, a comprehensive program to clean up the nation's worst abandoned or uncontrolled hazardous waste sites.

Distribution: Distributes $600 million through existing EPA Superfund program.

Prioritization: EPA selects projects for Recovery Act funding based on a variety of factors, including: construction readiness; human and ecological risk; and opportunities to reduce project costs and schedules.

EPA anticipates that the benefits of applying Recovery Act funds to the Superfund program will include: acceleration of existing projects; investment in new projects; faster return of sites to productive use; and potential acceleration of "green remediation" technology.

Shovel-Ready Deadlines: EPA must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of the date of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of enactment of the Recovery Act.[52]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[53]

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[52] *Id.* § 701.
[53] *Id.* § 1512.

Recovery Act Implementation: EPA has awarded $582 million for 57 construction projects and four design projects at 51 sites in 28 States, representing nearly 100 percent of the total allotment for Superfund work. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites.

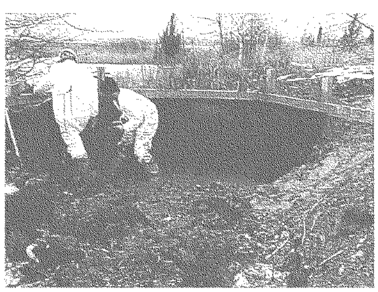
Work has begun or is complete on 46 projects ($531 million), representing 91 percent of the available funds.

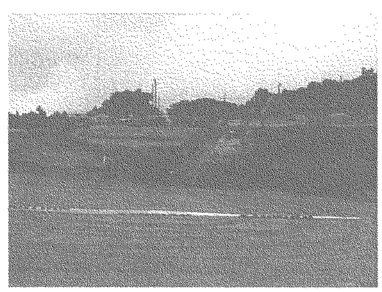
The Recovery Act investments will:

- treat or remove heavy metal contamination (36 sites);
- treat or remove organic compound contamination (28 sites);
- begin or accelerate work to treat drinking water to meet Federal and State standards (eight sites);
- provide alternate residential drinking water supplies (five sites); and
- mitigate damage to wildlife habitats and ecosystems (four sites).

Examples of Superfund sites include:

- Horseshoe Road in Sayreville, New Jersey ($5 million): Contaminants at the 12-acre site include volatile organic compounds (VOCs), metals, pesticides, and polychlorinated biphenyls (PCBs). The area around the site includes residential properties as well as business, commercial, and industrial areas. About 63 residential properties are located within one-half mile of the site, and about 14,000 people obtain drinking water from public wells within four miles. Recovery Act funds will expedite the cleanup of the remaining on-site soils that act as a source of contamination to the ground water and surface water, which drain into the Raritan River.





- Tar Creek in Oklahoma ($35.8 million): The approximately 40-square mile site is in a former lead and zinc mining rural area that has been affected by mining waste including piles known as "chat" which tower up to 200 feet high (see picture below). Elevated levels of lead, zinc, and cadmium impact the site's soils, surface water, and ground water. Recovery Act funds will speed up chat excavation from the remote areas of the site and from area streams. Other additional work to be performed includes constructing a repository, providing alternate water supply to two rural residential properties, and conducting cleanup of rural residential yards. The restored land will become available for agricultural development.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 16,700 jobs and $3 billion of economic activity.**

BROWNFIELDS – $100 MILLION

Recovery Act: Provides $100 million for EPA's Brownfields Discretionary Grant Program.

Distribution: Distributes funds to States, cities, and redevelopment agencies through the existing EPA Brownfields Discretionary Grant program for site assessments, remediation and cleanup grants, and to capitalize state Brownfield revolving loan programs as authorized under section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (P.L. 96-510), as amended by the Brownfields Revitalization and Environmental Restoration Act of 2001 (P.L. 107-118).

Prioritization: On April 10, 2009, EPA announced the criteria for funding decisions under the Brownfields Revolving Loan Funds program, including the demonstrated ability of the revolving loan fund to make loans and subgrants with Recovery Act funds "quickly" (i.e., "shovel-ready" projects) for cleanups that can be started and completed expeditiously, and the demonstrated ability to use supplemental revolving loan funds in a manner that maximizes job creation.

Shovel-Ready Deadlines: EPA must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of the date of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of the date of enactment of the Recovery Act.[54]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[55]

Recovery Act Implementation: EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 186 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds.[56] Work has begun or is completed on 114 projects.

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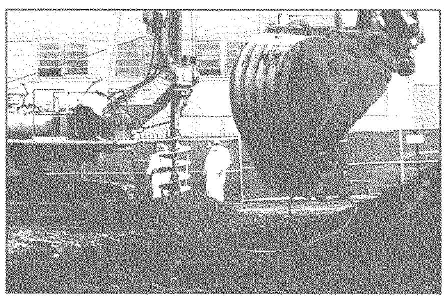
[54] *Id.* § 701.
[55] *Id.* § 1512.
[56] EPA set aside $3.5 million for management and oversight.

Recovery Act investments will result in:

- assessments, of which 44 projects have been initiated and an additional six projects are completed ($33 million);
- cleanup, of which two projects have been initiated an additional project is complete, resulting in 17 acres made ready for reuse ($7.5 million);
- revolving loan fund ($47.1 million); and
- job training ($6.9 million).

An example of a project underway includes:

- California Department of Toxic Substances Control in San Francisco, California ($1.8 million): This project will initiate clean up of lead contaminated land and create about 200 new construction jobs for two years. Upon completion of the clean-up, the land will be turned into residential units, a restaurant, retail, and day care center.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 2,800 jobs and $500 million of economic activity.**

WATERSHED REHABILITATION PROGRAM – $50 MILLION

Recovery Act: Provides $50 million for the rehabilitation of deficient flood damage reduction projects under the Watershed Rehabilitation Program.

Distribution: Funds will be distributed to rehabilitate aging flood control structures nationwide.

Prioritization: Funds must be allocated to projects that can be fully funded and completed with the funds appropriated in the Recovery Act, and funds must be allocated to activities that can commence promptly following enactment of the Recovery Act.

Shovel-Ready Deadlines: The Natural Resources Conservation Service (NRCS) must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[57]

Recovery Act Implementation: NRCS has obligated $21 million for work on 26 dam rehabilitation projects. Contracts have been signed for six dams totaling $9.4 million. Construction has commenced on four of these dams.

Rehabilitating these 26 dams will:

- result in $4.2 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 1,774 homes, 117 businesses and public facilities, and 103 bridges;
- decrease risk to life threatening dam failures for 7,621 people;
- restore or enhance 667 acres of wetlands; and
- enhance 96 miles of stream corridor for fish and wildlife.

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[57] *Id.* § 1512.

An example of a project underway includes:

- Sallisaw Creek Watershed Dam No. 18M in Adair County, Oklahoma ($4.2 million): Work has begun to bring this dam up to current safety standards, raise its height by 3.4 feet, and replace existing spillways. A 2006 study classified this dam as high-hazard because 24 homes, a church, and a water treatment and pumping facility would be inundated if the dam failed. Rehabilitation of the dam will increase public safety and provide $20.7 million in flood-reduction benefits over the dam's 100-year life. The lake created by the dam provides 3,000 acre-feet of municipal water storage for the Stilwell Area Development Authority and water for 20,000 people.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a map of projects, see: http://www.usda.gov/recovery/map/.

<u>Economic Impact</u>: **Creates approximately 1,400 jobs and $250 million of economic activity.**

WATERSHED AND FLOOD PREVENTION OPERATIONS – $290 MILLION

Recovery Act: **Provides $145 million for watershed operations, and $145 million for floodplain easements.**

Distribution: Funds will be distributed by NRCS to improve water quality, increase water supply, decrease soil erosion, and improve fish and wildlife habitat in rural communities. Other major benefits from these projects include improve community safe and health, flood mitigation, sediment control, and enhanced fish and wildlife habitat.

Prioritization: Funds must be allocated to projects that can be fully funded and completed with the funds appropriated in the Recovery Act, and funds must be allocated to activities that can commence promptly following enactment of the Recovery Act.

Shovel-Ready Deadlines: NRCS must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[58]

Recovery Act Implementation:

Watershed Operations and Flood Prevention ($145 million): NRCS has obligated $75 million and signed 284 contracts in 83 of the 87 planned projects. Of these projects, contracts have been awarded and construction has begun on 53 projects totaling $62 million, representing 43 percent of the available funds.

This watershed protection and flood prevention will:

- result in $431 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 9,749 farms or ranches and 997 bridges;
- protect 102 domestic water supplies;
- reduce 4,484,658 tons/year of sediment;

[58] *Id.* § 1512.

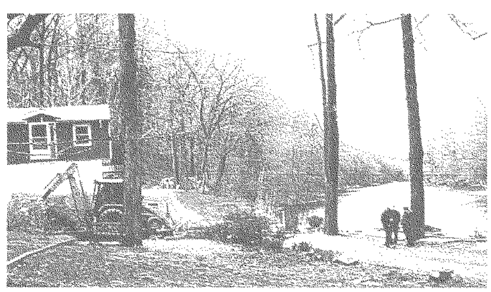
- conserve 75,213 acre-feet of water;
- enhance and restore 17,202 acres of wetland; and
- protect and enhance 892 miles of streams.

Recovery Act investments will further result in:

- new construction involving the investigation, survey, design, and construction of project measures that provide multi-purpose benefits, owned, managed, and operated by units of government (31 projects);
- structural repair involving follow-up work to correct unforeseen deficiencies or site conditions that impact the safety of a project measure (24 projects);
- land treatment projects involving contracts with individual landowners to install conservation practices to improve water quality and conservation on their property (18 projects); and
- permit-required mitigation involving replacement of environmental features impacted by construction of a project measure (seven projects).

An example of a project underway includes:

- Lower Neshaminy Creek in Bucks County, Pennsylvania ($10 million): The funds for this project will be used protect, elevate, or acquire approximately 80 homes and/or businesses in the lower 18 miles of Neshaminy Creek, resulting in an estimated $380,000 in flood damage reduction. Overall, approximately 450 residents in seven municipalities will benefit from flood protection along Neshaminy Creek. In addition, the project will generate revenue for privately owned businesses through increased sales of construction materials, equipment, parts, and services.



Floodplain Easements ($145 million): NRCS has signed options for 225 floodplain easements totaling $85 million, representing 59 percent of the total funding. Of this total, NRCS has closed (exercised the right under the option) 138 easements totaling $46 million. Restoration has been commenced or completed on 82 easements.

Recovery Act investments will result in:

- water quality improvement: eliminate soil erosion and associated sedimentation and nutrient transfer from over 24,000 acres of cropland that will be converted to hardwood bottomland forests and other wetland habitat;
- flood damage reduction: improve community health and safety by removing 23 homes and families from reoccurring flood damages and restore natural water flows to 12 stream miles while eliminating flooding of 83 homes;
- wetland and wildlife habitat restoration/improvements to 37,000 acres; and
- improved fish and wildlife habitat for neo-tropical and migratory waterfowl: restoration efforts will restore and enhance critical habitat for 37 federally listed threatened and endangered species of fish and wildlife.

An example of a project underway includes:

- Salmon Falls-Piscataqua River Watershed Easement in Rockingham County, New Hampshire ($280,334): An easement has been acquired on this property at the confluence of the Pawtuckaway and Lamprey Rivers, adjacent to the Pawtuckaway Core Conservation Focus Area. The 2006 New Hampshire Fish and Game Wildlife Action Plan identified the site as providing the highest quality habitat within the biological region. Protection and restoration of this property will enhance the quality of the habitat, particularly for threatened and endangered species, including the Wood turtle, Blanding's turtle, and Spotted turtle. In order to restore the 7.2-acre floodplain within the dam breach inundation zone, a house and other buildings have been removed.

To view a map of projects, see: http://www.usda.gov/recovery/map/.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 8,000 jobs and $1.4 billion of economic activity.

INTERNATIONAL BOUNDARY AND WATER COMMISSION – $220 MILLION

Recovery Act: Provides $224 million to the United States Section of the International Boundary and Water Commission (IBWC) to carry out immediate repair and rehabilitation requirements of existing water supply infrastructure along the U.S.-Mexican border.

Distribution: These funds will allow rehabilitation of approximately 170 miles of deficient levees, including Rio Grande levees as well as levees in the interior floodways in the Lower Rio Grande Flood Control Project.

Prioritization: The IBWC has prioritized Recovery Act funds for projects necessary to raise levee heights and make structural repairs to ensure the levees provide adequate protection during the 100-year flood, a flood that has a one percent chance of occurring in any given year. The levee rehabilitation is intended to meet standards established by the Federal Emergency Management Agency (FEMA).

Shovel-Ready Deadlines: IBWC must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: IBWC must submit a detailed spending plan for funds appropriated under the Recovery Act to the Committees on Appropriations within 90 days (May 18, 2009) of enactment of the Recovery Act.[59]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[60]

Recovery Act Implementation: IBWC has signed contracts and work has begun on projects worth $149 million, including $119 million for construction and $27 million for environmental, geo-technical investigations, and design services. This represents 66 percent of the available funds.

Recovery Act investments will:

- rehabilitate 253 miles of deficient river and floodway levees in the Upper and Lower Rio Grande Flood Control Systems of Texas and New Mexico (almost one half of the total 506 miles of levees);

[59] *Id.* Title XI.
[60] *Id.* § 1512.

- enhance the protection of lives and property for over two million border residents; and

- achieve certification standards established by FEMA, thereby reducing the cost of flood insurance to border residents.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 6,100 jobs and $1.1 billion of economic activity.

U.S. ARMY CORPS OF ENGINEERS – $4.6 BILLION

Recovery Act:

1. **Provides an additional $2 billion for the Corps of Engineers Construction program;**

2. **Provides an additional $2.075 billion for the Corps of Engineers Operation and Maintenance program;**

3. **Provides an additional $375 million for the Corps of Engineers Mississippi River and Tributaries program;**

4. **Provides an additional $100 million for the Corps of Engineers Formerly Utilized Remedial Action Program;**

5. **Provides an additional $25 million for the Corps of Engineers Investigations program; and**

6. **Provides an additional $25 million for the Corps of Engineers Regulatory Program.**

Distribution: Distributes funds to the Corps of Engineers (Corps), which will determine the distribution of funds through its existing project selection process. Water resources development projects include navigation, flood control, hurricane and storm damage reduction, shoreline protection, hydroelectric power, recreation, water supply, environmental infrastructure, environmental protection, restoration and enhancement, and fish and wildlife mitigation projects.

Prioritization: Requires that funds be used for programs, projects, or activities (or elements of programs, projects, or activities) that can be completed within the funds made available in the Recovery Act, and that will not require new budget authority to complete.

Shovel-Ready Deadlines: The Corps must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Beginning 45 days (April 3, 2009) after the date of enactment of the Recovery Act, the Corps must submit quarterly reports to the Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds.[61]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

[61] *Id.* Title IV.

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[62]

Recovery Act Implementation: The Corps has committed $3.5 billion for 791 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 77 percent of the total amount of Recovery Act funds allocated to the Corps, as of April 30, 2010.

Recovery Act investments will fund the following:[63]

- navigation: repair or improve 284 locks or commercial ports;
- flood risk management: 1,124 projects to improve dam or levee safety;
- recreation: maintain or upgrade 460 recreation areas;
- environment: 143 projects to restore aquatic ecosystems or improvement management of natural resources;
- hydropower: 35 projects to repair or improve hydropower; and
- water supply: 148 projects to construct local water supply or wastewater infrastructure.

Construction Program ($2 billion): The Corps has committed $1.3 billion for 156 projects. This amount represents 66 percent of the apportionment for this program.

Operation and Maintenance Program ($2.075 billion): The Corps has committed $1.7 billion for 523 projects. This amount represents 84 percent of the apportionment for this program.

Mississippi River and Tributaries Program ($375 million): The Corps has committed $320 million for 40 projects. This amount represents 85 percent of the apportionment for this program.

Formerly Utilized Remedial Action Program ($100 million): The Corps has committed $97 million for 10 projects. This amount represents 97 percent of the apportionment for this program.

Investigations Program ($25 million): The Corps has committed $22 million for 57 projects. This amount represents 87 percent of the apportionment for this program.

Regulatory Program ($25 million): The Corps has committed $18 million for five projects. This amount represents 70 percent of the apportionment for this program.

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[62] *Id.* § 1512.
[63] On April 28, 2009, the Corps posted its lists of Civil Works work packages funded by the Recovery Act. Selected projects are geographically distributed across the United States to provide the nation with inland and coastal navigation, environmental, flood risk management, hydropower, and recreation improvements.

Examples of underway construction projects include:

- Western Sarpy Levee Improvement Project, Segment 3 in Saunders and Sarpy Counties, Nebraska ($6.5 million): This project is located along the Lower Platte River in an area that has seen significant long-term flooding problems. On December 31, 2009, the Corps awarded a firm fixed price construction contract to a small business, Anderson Excavating Company of Omaha, Nebraska, to improve the levees on the Platte and Elkhorn rivers. The project consists of improving 16 miles of existing levees and will increase the level of flood protection by improving two existing non-Federal levees and filling in levee gaps to improve protection. This work will improve the resiliency of the levee and reduce flood damage reduction risk to life and property of the area.

- Picayune Strand Restoration Project in Florida ($40 million): Decades ago, canal excavation and road construction disrupted the natural water flow and over-drained many areas of the Florida Everglades. One of these areas is the Merritt Canal on the Everglades' Picayune Strand. In October 2009, the Corps awarded a Recovery Act contract to Harry Pepper and Associates of Jacksonville, Florida. Harry Pepper will use these funds to install 55 plugs in 13.5 miles of the Merritt Canal, build and operate an 810 cubic feet per second pump station and spreader canal, maintain flood damage reduction on land outside the project area, remove 95 miles of crumbling roads, and manage non-native vegetation. Work began in November 2009 and will be completed in March 2011.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a national map of Corps projects, see:
http://www.usace.army.mil/recovery/Pages/ProjectLocationsbeta.aspx.

Economic Impact: Creates approximately 139,000 jobs and $23 billion of economic activity.

FEDERAL BUILDINGS – $5.575 BILLION

GENERAL SERVICES ADMINISTRATION – $5.55 BILLION

Recovery Act:

1. **Provides $4.5 billion to convert General Services Administration (GSA) Federal buildings to High-Performance Green Buildings as defined in section 401 of P.L. 110-140, the Energy Independence and Security Act of 2007;**

2. **Provides $750 million for repair, alteration, and construction of Federal buildings and U.S. courthouses, and according to Joint Explanatory Statement of the Committee of Conference, of which $450 million shall be for a new headquarters for the Department of Homeland Security; and**

3. **Provides $300 million for border stations and land ports of entry.**

Distribution: Distributes funds through existing GSA prospectus and non-prospectus programs. GSA will determine the distribution of funds through its existing administrative processes.

Prioritization: According to Joint Explanatory Statement of the Committee of Conference, with regard to funding for High-Performance Green Buildings, funds are focused on projects that will, throughout the life-cycle of the building, reduce energy, water, and material resource use, improve indoor environmental quality, and reduce negative impacts on the environment, including air and water pollution and waste generation.[64] With regard to funds that are used for new U.S. courthouse construction, GSA is advised to consider projects for which the design provides courtroom space for senior judges for up to 10 years from eligibility for senior status, not to exceed one courtroom for every two senior judges.

Shovel-Ready Deadlines: Requires GSA to obligate not less than $5 billion of the funds by September 30, 2010, and the remainder not later than September 30, 2011.

Transparency and Accountability Requirements: GSA must submit a detailed plan, by project, regarding the use of funds made available in this Act to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act, and shall provide notification to said Committees within 15 days prior to any changes regarding the use of these funds.[65]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the

[64] *See* Energy Independence and Security Act of 2007, Pub. L. No. 110-140, § 401 (2007).
[65] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, Title V (2009).

information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[66]

Recovery Act Implementation: GSA has awarded contracts and begun work on 406 projects worth $4.1 billion, representing 74 percent of GSA's total apportionment. GSA plans to award a total of $5 billion by September 30, 2010, and the remaining funds by September 30, 2011.

GSA's Recovery Act spending plan comprises projects in all 50 States, Washington, DC, and two Territories, including:[67]

- constructing 10 Federal buildings and courthouses in five States, Washington, DC, and Puerto Rico ($750 million);
- constructing seven border stations and land ports of entry in five States on the U.S.-Mexico and U.S.-Canada borders ($300 million);
- modernizing 45 Federal buildings and courthouses in 21 States, Washington, DC, and Puerto Rico with major projects to convert facilities to high-performance green buildings ($3.2 billion);
- modernizing 199 Federal buildings and courthouses in 48 States, Washington, DC, Puerto Rico, and the Virgin Islands with limited-scope projects to convert facilities to high-performance green buildings ($912 million); and
- modernizing Federal buildings and courthouses with small projects to convert facilities to high-performance green buildings ($161 million).

Each major modernization project will meet the energy efficiency and conservation requirements of the Energy Independence and Security Act of 2007 (P.L. 110-140). Each limited-scope modernization project will all include advanced meters for electricity and water. In addition, if the limited-scope project includes roof replacement, the roof will be replaced with integrated photovoltaic membrane (if flat and in the appropriate geography), maximum reasonable insulation for the climatic zone (R-50 in colder climates), or a green roof if an integrated photovoltaic roof is not warranted.

These projects will result in:

- installing 78 roofs, including 68 photovoltaic arrays on roofs;
- putting in place 140 lighting systems;

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[66] *Id.* § 1512.

[67] GSA released their original spending plan on March 31, 2009, and submitted their most recent amendment on January 19, 2010.

- installing 52 water systems; and
- completing 222 system tune-ups and recommissionings.

Recovery Act projects underway include:

- Ralph H. Metcalfe Federal Building in Chicago, Illinois ($1.6 million): Work began on January 5, 2010. The energy saving "green" elements of the project include retrofitting the HVAC systems as well as installing a lighting control system and light fixtures for smart lighting capabilities; and
- Potter Stewart U.S. Courthouse in Cincinnati, Ohio ($318,000): Construction commenced in January 2010 on this improvement to the existing courthouse. The project includes upgrading and expanding the existing Building Automation System to provide more efficient control of all building systems and reviewing and revising the building control strategies related to the HVAC system with an emphasis on client comfort as well as energy conservation.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: Creates approximately 154,000 jobs and $27.5 billion of economic activity.

SMITHSONIAN INSTITUTION – $25 MILLION

Recovery Act: Provides $25 million for repair and revitalization of existing Smithsonian Institution facilities.

Distribution: Distributes funds through the Smithsonian Institution's existing administrative processes.

Shovel-Ready Deadlines: The Smithsonian Institution must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: The Smithsonian Institution must submit a general plan for expenditures of such funds to the Committees on Appropriations within 30 days (March 19, 2009) of enactment of the Recovery Act.[68]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[69]

Recovery Act Implementation: The Smithsonian has signed contracts worth $22 million for 16 projects, representing 100 percent of the Smithsonian's total Recovery Act spending plan.[70] The Smithsonian awarded 14 of the 16 construction projects to local small business firms. Construction on the first project began on June 6, 2009, and the Smithsonian plans to complete all construction by December 31, 2010. Examples of Recovery Act projects include:

- Arts and Industries Building in Washington, DC ($4.6 million): cleaning 73,000 square feet of masonry exterior wall, repairing 13,000 linear feet of brick mortar joints, and removing 374 tons of non-hazardous and 200 tons of hazardous interior materials; and

- National Zoological Park in Washington, DC ($9.7 million): replacing 52,060 square feet of roof, installing fire-protection equipment, and improving three bridges.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 700 jobs and $124 million of economic activity.

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[68] *Id.* § 701.
[69] *Id.* § 1512.
[70] The Smithsonian set aside $3 million in contingency for unforeseen conditions.

Economic Development Administration – $150 Million

Recovery Act: **Provides $150 million for EDA's economic development programs, of which not less than $50 million shall be for economic adjustment assistance under section 209 of the Public Works and Economic Development Act of 1965, and up to $50 million may be transferred to federally authorized regional economic development commissions.**[71]

Distribution: Distributes funds to local partners through EDA's existing regional allocation and project selection processes. EDA may transfer funds to the Appalachian Regional Commission, the Delta Regional Authority, the Northern Great Plains Regional Authority, the Northern Border Regional Commission, the Southeast Crescent Regional Commission, and the Southwest Border Regional Commission. These Federally authorized regional economic development commissions may assist eligible applicants in submitting applications to EDA, or may seek transfers directly from EDA.

Prioritization: Of the $150 million provided, not less than $50 million must be allocated for economic adjustment assistance under section 209 of the Public Works and Economic Development Act of 1965. EDA will allocate the remaining $100 million to either the Public Works and Economic Development Facilities Program or the Economic Adjustment Assistance Program, depending on demonstrated needs.

With regard to funding for economic adjustment assistance, the Secretary of Commerce shall give priority consideration to areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring.

Shovel-Ready Deadlines: EDA must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[72]

Recovery Act Implementation: On September 25, 2009, EDA reached a milestone by awarding its final Recovery Act project. In total, EDA awarded 68 grants in 37 States totaling $147 million.[73]

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[71] *Id.* Title II.
[72] *Id.* § 1512.
[73] EDA will use the remaining $3 million for administration and oversight.

EDA has broken ground on 43 of these projects totaling $91 million, representing 62 percent of the amount allocated to support these investments. EDA funded projects in areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring. These projects target opportunities that will jump start our economy and support investments that will contribute to sustained economic growth across the country. EDA's implementation plan includes promoting:

- development of regional innovation clusters, which leverage a region's existing competitive strengths to boost job creation and economic growth – 23 projects ($50 million);
- business incubation – 13 projects ($37 million);
- green jobs – 14 projects ($27 million); and
- trade and help connect regional economies to the opportunities offered by the global marketplace – five projects ($11 million).

Examples of projects underway include:

- City of Santa Cruz, California ($4.8 million): EDA provided this grant to help the city respond to job losses associated with corporate restructuring by renovating a historic Brownfield site to create the Digital Media Center at the Tannery, a business incubator for digital media companies. Due to the large number of small businesses in the Santa Cruz region that provide digital media services, the co-location of a variety of these individual service providers at the center provides an opportunity to promote the growth and development of the digital media cluster. This high-tech business incubator is expected to create 653 long-term jobs and leverage $33.8 million in private investment; and
- Arizona Bioscience Park in Tucson, Arizona ($4.7 million): Pima County experienced sudden and severe economic dislocation and job loss due to corporate restructuring, with the total number of unemployed persons rising 80 percent during the 12 month period ending in February 2009. A grant to the University of Arizona will help build the park to provide the region with a comprehensive training and research facility that will boost workforce training, research and development opportunities, higher-skilled, higher-wage jobs, and private sector investment in the bioscience sector. The new state-of-the-art research park will house a technology business incubator. The park's sophisticated, high-technology biosciences facilities will be integrated into a multi-use development. The grant is expected to help create 639 long-term jobs and attract $33.1 million in private investment.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: EDA estimates that construction related to Recovery Act investments will create 1,693 jobs over the next three years. EDA also expects these investments to create 18,908 long-term jobs and leverage $981 million in private investment during the next nine years.

FEDERAL EMERGENCY MANAGEMENT AGENCY – $210 MILLION

Recovery Act: **Provides $210 million for Firefighter Assistance Grants, for modifying, upgrading, or constructing non-Federal fire stations.**

Distribution: Distributes funds through FEMA's existing competitive grant processes. No grant shall exceed $15 million.

Shovel-Ready Deadlines: FEMA must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[74]

Recovery Act Implementation: FEMA has awarded 119 projects totaling $189 million in 41 States, representing 90 percent of the available funds. FEMA anticipates making as many as 10 additional awards. Three of these fire stations have already broken ground and another 26 stations have been cleared to begin construction.

This program is aimed at creating and saving jobs in recession-hit areas and achieving firefighter safety and improved response capability and capacity based on need. Recovery Act investments will fund the following:

- build 45 new fire stations to meet expanded responsibilities;
- replace 41 unsafe fire stations;
- renovate 16 unsafe fire stations;
- expand 10 fire stations to accommodate 24 hour/seven day coverage; and
- expand six fire stations to accommodate increased responsibilities.

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[74] *Id.* § 1512.

Examples of new construction projects include:

- Newberg, Oregon ($764,000): Newberg's existing station, originally built in 1933 for use as a livestock barn, was later converted into a fire station. The existing station poses several health hazards. The station, built before enactment of current air quality standards, was built without a source capture exhaust system for the department's diesel vehicles. The bunk rooms, kitchen, and dayroom, where the department's firefighters live and work 24 hours per day, seven days per week, are in danger of contamination. As a result, the station does not comply with several National Fire Protection Association staffing and safety standards. Replacing the existing station will correct all these issues; and

- City of Quincy, Florida ($1.2 million): Quincy's current station was built in the early 1960's and is the city's only fire station. The existing facility has no sprinkler system and does not comply with the Americans with Disabilities Act. Response time from the current station is over five minutes for approximately 60 percent of the south side of town. Building a new station will bring 100 percent of that area well within a five minute response time.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 5,800 jobs and $1 billion of economic activity.**

COAST GUARD – $240 MILLION

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS – $98 MILLION

Recovery Act: Provides $98 million for the Coast Guard's Acquisition, Construction, and Improvements program to fund ready-to-go Coast Guard shore facility repair projects. This funding cannot be used for pre-acquisition survey, design, or construction of a new polar icebreaker.

Distribution: Distributes funds through the Coast Guard's existing administrative processes.

Prioritization: Funds are to be used for shore facilities and aids to navigation facilities; for materials and labor cost increases of priority procurements; and for costs to repair, renovate, assess, or improve vessels.

Shovel-Ready Deadlines: The Coast Guard must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: The Coast Guard must submit a plan for the expenditure of these funds to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act.[75]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[76]

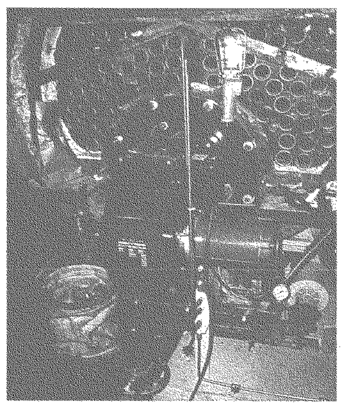
Recovery Act Implementation:

High Endurance Cutter Engineering changes ($10 million): The Coast Guard has signed contracts for 100 percent of the planned vessel projects. Of the 38 planned installations to vessels, seven are either underway or completed. These installations include:

- boiler upgrade;
- automatic bus transfer switch upgrade;

[75] *Id.* Title VI.
[76] *Id.* § 1512.

- refrigeration system upgrade;
- fire and smoke alarm system installation;
- auxiliary saltwater pump replacement;
- lube oil purifier replacement; and
- engineering technical support.



Shore facilities ($88 million): Of the seven planned shore facilities, three have been awarded construction contracts, and another three have been awarded design/development contracts. Construction has begun on one shore facility, and another three are expected to break ground this summer.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 2,700 jobs and $500 million of economic activity.

BRIDGE ALTERATIONS – $142 MILLION

Recovery Act: **Provides $142 million for the Coast Guard's Alteration of Bridges program, which funds the removal or alteration of bridges that are safety hazards or unreasonable obstructions to navigation.**

Distribution: Distributes funds through the Coast Guard's existing administrative processes.

Prioritization: The Coast Guard shall award these funds to those bridges that are ready to proceed to construction.

Shovel-Ready Deadlines: The Coast Guard must obligate 100 percent of funds by September 30, 2010.

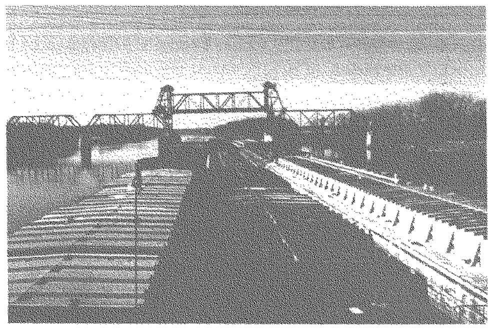
Transparency and Accountability Requirements: The Coast Guard must submit a plan for the expenditure of these funds to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act.[77]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[78]

Recovery Act Implementation: Contracts have been awarded on all four planned bridge projects totaling $142 million, representing 100 percent of the available funds. Work has begun on three of the bridge projects totaling $81 million, representing 57 percent of the available funds. The four bridges include:

- Elgin, Joliet, and Eastern Bridge over the Illinois Waterway in Divine, Illinois – built in 1885 ($30 million). Work is ongoing to replace the existing 120-foot horizontal clearance with a new 300-foot clearance. The bridge poses multiple hazards to navigation including shallow water depths and severe cross currents;

[77] *Id.* Title VI.
[78] *Id.* § 1512.



- Burlington Bridge over the Mississippi River in Iowa – built in 1892 ($36 million);
- Mobile Bridge over the Mobile River in Hurricane, Alabama – built in 1927 ($15 million); and
- Galveston Bridge over the Intercoastal Waterway in Texas – built in 1912 ($61 million).[79]

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852

Economic Impact: Creates approximately 4,000 jobs and $700 million of economic activity.

[79] Work on the Galveston bridge should begin in June 2010.

MARITIME ADMINISTRATION
SMALL SHIPYARD GRANTS – $100 MILLION

Recovery Act: Provides $100 million for grants to small shipyards for capital improvement and worker training as authorized by section 54101 of title 46, United States Code.

Distribution: Distributes funds through the Maritime Administration's existing competitive grant program. The purpose of the grants is to make capital and infrastructure improvements that facilitate the efficiency, cost-effectiveness and quality of domestic ship construction, conversion or repair for commercial and federal government use. This program generally provides 75 percent Federal funds with 25 percent matching funds from the grant recipient. Grant funds may also be used for maritime training programs to foster technical skills and operational productivity.

Of the $100 million, $75 million is reserved for shipyards with 600 employees or fewer, and up to $25 million may be awarded to shipyards with up to 1,200 employees.

Shovel-Ready Deadlines: The Secretary of Transportation shall ensure that funds provided under this program shall be obligated within 180 days of the date of their distribution.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the Maritime Administration on the use of Recovery Acts no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the Maritime Administration and transmitted to Congress.

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[80]

Recovery Act Implementation: On August 18, 2009, the Maritime Administration awarded 70 grants totaling $98 million for small shipyard projects in 26 States and Guam.[81] The Maritime Administration is also managing three projects originally funded under the highway program, totaling $26 million.

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[80] *Id.* § 1512.

[81] The Maritime Administration received 454 grant applications totaling $1.25 billion.

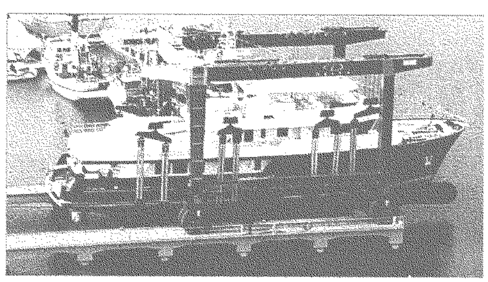
Work is underway or completed on 66 of the 73 planned projects ($119 million), representing 96 percent of the total available funds. Within this total, work is underway on 54 projects ($106 million), and work is completed on an additional 12 projects ($13 million).

Recovery Act investments will result in:

- drydock new construction, expansion, and enhancement – 13 projects ($33 million);
- steel work machinery – 23 projects (28 million);
- material handling (i.e., cranes, forklifts) – 18 projects ($21 million);
- shipyard infrastructure and improvements – six projects ($6.5 million);
- training – six projects ($6 million);
- boat hoist – four projects ($5 million);
- port modernization managed by the Maritime Administration – three projects ($26 million).

An example of a funded project includes:

- Steiner Shipyard in Bayou la Batre, Alabama ($1.8 million): Steiner Shipyard, a family owned shipyard, has been in business for over 50 years, and employs approximately 45 full-time and 10 part-time employees. Steiner Shipyard received a grant for the purchase of new launching equipment, a Travelift 400 metric ton boat hoist. The Travelift will allow the yard to complete the construction of vessels on shore, resulting in greater productivity. The new Travelift will also enable Steiner to construct larger vessels. The company estimates at least 20 new full-time jobs will be created because of this Recovery Act project.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 2,800 jobs and $500 million of economic activity.**

T&I Committee Transparency and Accountability Information by State and Formula Funding under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Submissions Received by T&I Committee (Data Reported as of April 30, 2010)

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during April 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Alabama															
Clean Water State Revolving Fund	$43,821,558	$43,821,600	$8,893,659	9	$42,068,736	9	$42,068,736	9	$42,068,736	1	$209,270	118	216	69,047	$1,788,177
Highway Infrastructure Investment	$513,692,083	$513,692,083	$170,745,513	289	$485,162,503	238	$480,878,298	181	$457,917,693	39	$37,080,416	3,383	349	700,007	$9,478,308
Transit Capital Assistance	$40,132,290	$37,884,291	$818,789	10	$13,945,071	49	$34,797,442	47	$25,668,428	6	$751,374	5	0	1,272	$35,041
Total	$597,645,931	$595,397,974	$180,457,961	308	$541,176,310	296	$557,744,476	237	$525,654,857	46	$38,041,060	3,506	564	770,326	$11,301,526
Alaska															
Clean Water State Revolving Fund	$23,454,981	$22,516,800	$3,865,409	20	$22,516,800	20	$22,516,800	20	$22,516,800	3	$1,238,225	75	21	20,800	$1,180,054
Highway Infrastructure Investment	$175,461,487	$175,461,487	$45,098,762	26	$170,461,487	24	$163,461,487	24	$163,461,487	3	$8,673,230	666	254	161,082	$7,672,608
Transit Capital Assistance	$40,869,469	$37,190,073	$19,506,748	31	$28,802,061	29	$22,541,863	29	$22,971,762	5	$3,299,659	306	39	64,512	$3,276,981
Total	$239,785,937	$235,168,360	$68,470,919	77	$221,780,348	73	$208,520,150	73	$208,950,049	12	$13,211,114	1,047	314	246,394	$12,129,643
American Samoa															
Clean Water State Revolving Fund	$3,354,000	$3,354,000	$0	0	$0	0	$0	0	$0	0	$0	0	0	25	$500
Highway Infrastructure Investment	$4,500,000	$4,500,000	$0	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	24	0	14,168	$87,494
Transit Capital Assistance	$341,099	$341,099	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$8,195,099	$8,195,099	$0	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	24	0	14,193	$87,994
Arizona															
Clean Water State Revolving Fund	$26,469,630	$25,410,816	$13,527,092	17	$25,410,816	17	$25,410,816	17	$25,410,816	8	$12,531,636	1,104	66	210,992	$6,597,868
Fixed Guideway	$640,070	$640,070	$455	1	$640,070	1	$640,070	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$520,911,019	$520,673,535	$144,731,206	173	$412,175,304	162	$395,774,744	162	$395,774,744	41	$55,629,122	5,659	1,144	1,329,171	$32,098,535
Transit Capital Assistance	$99,911,878	$99,911,878	$13,959,720	40	$49,305,763	32	$44,507,494	31	$39,673,132	12	$6,558,884	728	711	264,756	$3,161,740
Total	$647,932,597	$646,636,299	$172,218,473	231	$487,531,953	212	$466,333,124	210	$460,858,692	61	$74,719,642	7,491	1,919	1,804,919	$41,858,143
Arkansas															
Clean Water State Revolving Fund	$25,636,545	$25,636,500	$8,179,395	7	$24,611,040	7	$24,611,040	7	$24,611,040	0	$0	231	111	60,983	$1,599,477
Highway Infrastructure Investment	$351,544,468	$335,068,242	$85,802,474	109	$291,862,930	109	$291,862,930	105	$270,414,693	34	$45,720,728	2,026	unavailable	258,515	$4,485,581
Transit Capital Assistance	$20,573,849	$19,636,947	$7,380,421	20	$61,492,501	19	$14,499,452	19	$14,499,452	6	$3,690,407	315	9	56,632	$783,920
Total	$397,754,862	$380,341,689	$101,362,194	136	$377,966,171	135	$330,973,422	131	$309,535,185	60	$49,411,135	2,572	120	376,130	$6,868,978
California															
Clean Water State Revolving Fund	$280,285,335	$269,074,368	$53,095,519	109	$269,074,368	109	$269,074,368	109	$269,074,368	1	$149,430	6,780	0	1,548,645	$27,483,454
Fixed Guideway	$63,214,610	$63,214,609	$29,467,629	9	$62,083,157	9	$60,445,680	10	$63,214,609	1	$1,131,452	555	735	320,355	$21,296,617
Highway Infrastructure Investment	$2,552,945,059	$2,517,284,594	$447,924,600	579	$2,153,039,955	436	$1,729,152,656	436	$1,729,152,656	310	$302,147,520	12,673	4,820	3,046,191	$144,831,902
Transit Capital Assistance	$839,273,116	$819,453,954	$291,101,224	394	$519,332,668	277	$511,949,164	370	$671,783,855	139	$158,471,830	23,987	1,870	4,880,760	$138,434,495
Total	$3,735,718,120	$3,669,027,525	$821,588,972	1,091	$3,003,530,148	831	$2,570,621,868	925	$2,733,225,488	451	$461,900,252	43,995	7,426	9,795,951	$332,046,468
Colorado															
Clean Water State Revolving Fund	$31,348,152	$30,093,792	$10,796,834	12	$30,093,792	12	$30,093,792	12	$30,093,792	1	$193,956	206	0	72,911	$2,551,891
Fixed Guideway	$753,399	$753,399	$0	1	$753,399	1	$753,399	1	$753,399	0	$0	0	0	0	$0
Highway Infrastructure Investment	$385,524,130	$379,053,298	$127,714,452	102	$379,051,298	95	$376,931,790	87	$346,861,446	18	$33,748,474	5,180	588	1,069,193	$29,060,676
Transit Capital Assistance	$121,315,663	$121,315,663	$53,229,446	42	$101,444,529	36	$83,553,305	36	$83,555,305	10	$16,492,870	1,738	127	114,138	$11,787,915
Total	$538,741,344	$531,214,152	$191,740,712	157	$511,343,018	144	$491,334,286	136	$461,263,942	29	$50,435,300	7,124	714	1,556,562	$43,400,482

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).
Year One of Implementation includes information from February 17, 2009, through February 28, 2010

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during April 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Connecticut															
Clean Water State Revolving Fund	$48,010,347	$48,010,300	$12,675,195	5	$46,089,888	5	$46,089,888	2	$30,171,391	0	$0	290	52	65,426	$3,140,997
Fixed Guideway	$32,030,396	$32,030,396	$3,433,670	3	$32,030,396	3	$32,030,396	3	$32,030,396	0	$0	0	0	0	$0
Highway Infrastructure Investment	$299,253,956	$299,135,612	$57,731,494	104	$276,470,222	58	$241,175,285	50	$228,645,829	14	$23,786,640	1,195	240	266,161	$9,915,467
Transit Capital Assistance	$120,767,245	$120,767,245	$8,322,232	19	$113,247,049	19	$113,247,049	19	$113,247,049	10	$224,756	39	49	18,875	$869,621
Total	$500,061,944	$499,943,553	$82,162,591	131	$467,837,555	85	$432,542,618	74	$404,094,665	24	$24,011,396	1,524	340	350,462	$13,926,085
Delaware															
Clean Water State Revolving Fund	$19,239,066	$18,469,536	$1,687,788	10	$18,469,536	10	$18,469,536	6	$9,391,806	0	$0	167	214	41,183	$1,195,475
Highway Infrastructure Investment	$121,828,650	$115,232,839	$31,750,844	36	$115,232,839	32	$63,630,349	29	$58,865,214	3	$581,214	1,374	172	286,178	$7,590,941
Transit Capital Assistance	$19,000,000	$18,917,211	$1,568,954	5	$18,917,211	5	$18,917,211	4	$18,717,211	0	$0	30	12	9,277	$358,193
Total	$160,067,716	$152,619,586	$35,007,586	51	$152,619,586	47	$101,017,096	39	$86,974,231	3	$581,214	1,571	398	336,638	$9,144,609
District of Columbia															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$2,002,089	25	$19,239,100	25	$19,239,100	15	$10,352,915	1	$274,540	24	12	8,629	$329,741
Fixed Guideway	$17,749,826	$17,749,826	$3,540,430	6	$17,749,826	6	$17,749,826	6	$17,749,826	0	$0	76	14	16,746	$1,181,278
Highway Infrastructure Investment	$123,307,842	$121,788,908	$15,202,966	15	$121,788,908	13	$98,943,303	13	$98,943,303	1	$1,000,000	485	237	156,120	$4,241,322
Transit Capital Assistance	$184,083,396	$184,083,396	$45,822,982	24	$182,478,396	19	$140,048,222	19	$140,048,222	1	$868,650	53	9	13,409	$1,793,801
Total	$344,380,130	$342,861,230	$66,568,467	70	$341,256,230	63	$275,980,451	53	$267,094,266	3	$2,143,190	638	272	194,904	$7,546,142
Florida															
Clean Water State Revolving Fund	$132,286,374	$132,286,300	$37,820,843	28	$132,286,300	28	$132,286,300	28	$132,286,300	0	$0	2,490	unavailable	519,500	$8,946,807
Fixed Guideway	$2,918,660	$2,913,651	$1,010	3	$766,168	2	$66,168	4	$67,178	0	$0	1	0	199	$5,845
Highway Infrastructure Investment	$1,346,042,707	$1,315,278,091	$260,084,542	574	$1,249,064,911	523	$1,068,709,429	468	$951,767,129	132	$46,717,436	6,443	2,687	2,027,838	$45,490,059
Transit Capital Assistance	$325,287,614	$248,738,855	$65,268,135	247	$149,227,516	224	$126,212,580	206	$97,308,656	119	$25,874,804	1,321	563	507,725	$17,900,773
Total	$1,804,535,355	$1,699,216,897	$363,174,530	852	$1,531,344,895	777	$1,327,274,477	706	$1,181,429,263	251	$72,592,240	10,255	3,250	3,055,262	$72,343,484
Georgia															
Clean Water State Revolving Fund	$84,337,044	$84,336,750	$29,140,462	36	$81,686,310	38	$81,686,310	38	$81,686,310	1	$7,561,761	661	275	205,383	$7,588,747
Fixed Guideway	$7,380,854	$7,380,854	$313,704	1	$7,380,854	1	$7,380,854	1	$7,380,854	0	$0	0	8	2,006	$158,828
Highway Infrastructure Investment	$906,585,680	$897,317,969	$139,761,926	366	$896,052,969	318	$840,215,380	301	$785,948,309	4	$3,116,483	3,841	1,406	1,075,675	$18,462,374
Transit Capital Assistance	$127,909,498	$127,909,498	$52,071,506	11	$68,766,375	15	$70,839,779	9	$109,244,123	6	$7,480,062	6,880	351	1,423,420	$44,977,718
Total	$1,126,213,076	$1,116,945,071	$221,287,598	416	$1,053,886,508	372	$1,000,122,323	349	$984,259,596	11	$18,158,306	11,382	2,041	2,706,484	$71,187,667
Guam															
Clean Water State Revolving Fund	$2,471,500	$2,371,500	$2,371,500	2	$2,371,500	2	$2,371,500	2	$2,371,500	0	$0	0	0	0	$0
Highway Infrastructure Investment	$18,000,000	$18,000,000	$0	5	$18,000,000	4	$12,702,000	2	$8,082,000	0	$0	0	0	0	$0
Transit Capital Assistance	$921,976	$921,976	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$21,393,476	$21,293,476	$2,371,500	7	$20,371,500	6	$15,073,500	4	$10,453,500	0	$0	0	0	0	$0
Hawaii															
Clean Water State Revolving Fund	$30,352,311	$29,752,300	$13,464,226	7	$29,752,300	7	$29,752,300	6	$24,701,984	0	$0	124	49	41,152	$1,706,188
Fixed Guideway	$254,793	$254,793	$0	1	$254,793	1	$254,793	1	$254,793	0	$0	0	1	132	$3,363
Highway Infrastructure Investment	$125,746,380	$125,746,380	$12,693,629	20	$98,324,691	20	$98,324,691	17	$85,508,232	1	$865,200	274	87	76,188	$3,020,007
Transit Capital Assistance	$43,582,583	$43,582,583	$4,795,812	7	$34,177,790	7	$29,887,128	7	$29,887,128	1	$977,812	31	209	41,612	$1,743,999
Total	$199,936,067	$199,336,056	$30,953,667	35	$162,509,574	35	$158,218,912	31	$140,352,137	2	$1,843,012	429	346	159,084	$6,473,557
Idaho															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$2,531,077	8	$19,239,100	8	$19,239,100	6	$15,537,194	0	$0	80	227	99,995	$976,492
Highway Infrastructure Investment	$178,878,631	$177,272,151	$50,620,147	74	$177,114,623	53	$156,500,626	53	$156,500,626	0	$0	1,476	308	343,564	$10,206,555
Transit Capital Assistance	$13,003,398	$13,003,398	$3,314,548	46	$12,951,201	44	$11,371,585	39	$10,212,296	14	$299,211	114	36	27,637	$816,505
Total	$211,121,095	$209,514,649	$56,465,772	128	$209,304,924	105	$187,111,311	98	$182,250,116	14	$299,211	1,670	571	471,196	$11,999,552

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Year One of Implementation includes information from February 17, 2009, through February 28, 2010.

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during April 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Illinois															
Clean Water State Revolving Fund	$177,243,066	$177,243,100	$77,889,815	69	$177,243,100	69	$177,243,100	68	$176,751,057	0	$0	616	497	192,927	$11,596,282
Fixed Guideway	$95,534,850	$92,265,050	$37,365,409	9	$95,534,850	9	$95,534,850	7	$59,659,245	4	$38,931,726	3,886	28	681,857	$32,147,107
Highway Infrastructure Investment	$935,592,704	$929,420,271	$450,821,316	850	$872,358,195	768	$845,117,877	549	$728,805,058	224	$259,231,071	9,589	1,028	1,890,934	$78,976,592
Transit Capital Assistance	$365,690,769	$358,755,964	$201,349,900	81	$344,880,909	70	$341,820,587	57	$329,755,415	21	$200,390,223	10,658	96	1,898,480	$96,295,484
Total	$1,574,061,389	$1,557,684,385	$767,426,440	1,009	$1,490,017,054	916	$1,459,716,414	681	$1,294,971,775	249	$498,553,020	24,749	1,650	4,664,198	$219,015,465
Indiana															
Clean Water State Revolving Fund	$94,447,485	$94,447,500	$45,179,368	43	$94,447,500	43	$94,447,500	43	$94,447,500	3	$1,389,500	381	129	102,076	$1,747,082
Fixed Guideway	$6,412,487	$6,412,487	$790,997	1	$6,412,487	1	$6,412,487	1	$6,412,487	0	$0	57	16	15,274	$1,245,034
Highway Infrastructure Investment	$657,967,707	$619,674,313	$491,883,418	1,089	$619,674,313	1,089	$619,674,313	1,043	$608,435,074	478	$174,209,530	4,784	1,317	1,112,600	$34,023,475
Transit Capital Assistance	$72,630,417	$70,719,655	$29,921,712	59	$57,439,108	57	$57,235,913	57	$57,186,441	29	$16,801,477	1,654	0	237,630	$5,365,562
Total	$831,458,096	$791,253,955	$567,775,495	1,192	$777,973,408	1,190	$777,770,213	1,144	$766,481,502	510	$192,400,507	6,876	1,462	1,467,580	$42,381,153
Iowa															
Clean Water State Revolving Fund	$53,040,042	$53,040,000	$13,028,609	47	$53,040,000	47	$53,040,000	44	$47,635,000	0	$0	2	270	108,237	$2,456,822
Highway Infrastructure Investment	$357,623,007	$357,623,007	$220,275,538	242	$357,623,007	242	$357,623,007	242	$357,623,007	73	$67,192,774	6,809	389	1,253,748	$32,731,893
Transit Capital Assistance	$35,640,339	$27,234,369	$14,872,799	98	$31,431,999	98	$29,050,823	87	$22,268,659	25	$7,896,372	215	57	72,390	$1,052,183
Total	$446,303,388	$437,897,376	$248,176,946	387	$442,095,006	387	$439,713,830	373	$427,526,666	98	$75,089,146	7,026	716	1,434,375	$36,240,898
Kansas															
Clean Water State Revolving Fund	$35,374,185	$35,374,200	$6,830,980	22	$35,374,200	22	$35,374,200	17	$31,379,508	1	$70,500	3	47	40,498	$1,310,730
Highway Infrastructure Investment	$347,817,167	$345,832,326	$65,858,471	141	$345,832,326	135	$342,509,683	90	$258,428,393	14	$4,261,452	1,981	793	563,249	$13,682,309
Transit Capital Assistance	$25,203,158	$25,203,158	$6,679,959	24	$16,848,592	22	$15,998,714	23	$18,176,959	14	$2,421,922	154	15	32,675	$754,059
Total	$408,394,510	$406,409,684	$79,369,410	187	$398,055,118	179	$393,882,597	130	$307,984,860	29	$6,753,874	2,138	855	636,422	$15,747,098
Kentucky															
Clean Water State Revolving Fund	$49,878,081	$49,878,100	$7,522,731	44	$47,882,976	44	$47,882,976	43	$47,382,601	0	$0	310	390	131,503	$3,024,070
Highway Infrastructure Investment	$420,854,991	$420,347,654	$177,996,718	106	$417,527,409	104	$415,186,409	68	$397,793,756	3	$13,790,659	3,947	776	910,219	$26,431,201
Transit Capital Assistance	$49,850,323	$46,839,977	$32,369,980	136	$24,476,010	133	$40,705,288	133	$37,307,288	108	$21,624,352	497	313	200,139	$5,911,236
Total	$520,583,395	$517,065,731	$217,889,429	286	$489,886,395	281	$503,774,673	244	$482,483,645	111	$35,415,011	4,754	1,479	1,241,861	$35,366,507
Louisiana															
Clean Water State Revolving Fund	$43,081,434	$43,081,400	$9,345,815	53	$43,081,400	53	$43,081,400	30	$26,303,496	1	$1,000,000	35	0	37,528	$502,811
Fixed Guideway	$2,425,300	$2,425,300	$2,425,300	2	$2,425,300	2	$80,000	2	$80,000	2	$80,000	15	0	2,640	$64,885
Highway Infrastructure Investment	$429,859,427	$429,859,427	$40,143,545	107	$425,326,992	74	$372,875,641	52	$327,720,421	5	$7,197,029	1,537	658	488,259	$11,381,908
Transit Capital Assistance	$50,446,673	$42,287,325	$16,049,660	135	$33,292,199	140	$29,644,959	136	$25,666,970	82	$12,674,975	3,273	123	588,770	$7,960,945
Total	$525,812,834	$517,653,452	$67,964,320	297	$504,125,891	269	$445,682,000	220	$379,770,887	90	$20,952,004	4,860	781	1,117,197	$19,910,549
Maine															
Clean Water State Revolving Fund	$30,336,768	$29,123,328	$0	39	$29,123,328	39	$29,123,338	39	$29,123,328	17	$9,151,963	763	54	154,541	$4,078,376
Highway Infrastructure Investment	$130,752,032	$130,752,032	$93,650,517	72	$130,752,032	72	$130,752,032	72	$130,752,032	42	$57,544,408	3,284	51	584,063	$14,653,127
Transit Capital Assistance	$13,266,105	$13,266,105	$781,584	7	$13,266,105	6	$12,882,958	6	$12,882,958	2	$781,584	39	0	6,676	$116,723
Total	$174,354,905	$173,141,465	$94,432,101	118	$173,141,465	117	$172,758,318	117	$172,758,318	61	$67,477,955	4,086	104	745,280	$18,848,226
Maryland															
Clean Water State Revolving Fund	$94,784,580	$94,784,600	$11,305,990	67	$92,784,600	67	$92,784,600	67	$92,784,600	4	$1,211,100	62	0	49,508	$334,207
Fixed Guideway	$15,176,485	$15,176,485	$1,086,436	6	$15,176,485	5	$12,176,485	4	$9,377,914	1	$400,000	49	0	9,219	$396,983
Highway Infrastructure Investment	$431,034,777	$413,934,777	$132,108,612	158	$403,900,000	151	$400,300,000	122	$340,400,000	16	$32,684,349	3,752	286	750,814	$15,539,520
Transit Capital Assistance	$137,073,587	$137,073,587	$30,608,495	105	$134,883,087	92	$99,319,262	52	$62,755,068	27	$15,937,615	787	49	155,471	$5,007,361
Total	$678,069,429	$660,969,449	$175,309,533	336	$646,744,172	315	$604,480,347	245	$505,317,582	48	$50,233,064	4,650	335	965,012	$21,478,071

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Year One of Implementation includes information from February 17, 2009, through February 28, 2010

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during April 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Massachusetts															
Clean Water State Revolving Fund	$133,057,188	$133,057,300	$32,911,767	61	$127,735,008	61	$127,735,008	61	$127,735,008	0	$0	122	0	66,742	$4,612,620
Fixed Guideway	$51,513,648	$51,513,648	$3,049,775	39	$30,038,140	38	$29,952,220	38	$29,952,220	1	$174,768	119	40	37,194	$1,303,471
Highway Infrastructure Investment	$423,322,167	$378,205,755	$54,906,039	84	$378,205,755	84	$378,205,755	84	$378,205,755	1	$2,406,702	1,034	234	240,564	$9,657,849
Transit Capital Assistance	$250,283,938	$245,628,260	$50,069,055	190	$110,732,010	165	$104,012,698	162	$95,287,770	59	$15,553,600	508	130	420,354	$18,882,283
Total	$858,176,931	$808,404,963	$140,936,636	374	$646,710,913	348	$639,905,681	345	$631,180,753	61	$18,135,070	1,783	404	764,854	$34,456,223
Michigan															
Clean Water State Revolving Fund	$168,508,989	$168,509,000	$77,479,274	67	$168,509,000	67	$168,509,000	67	$168,509,000	3	$419,000	1,788	0	572,031	$20,934,139
Highway Infrastructure Investment	$847,204,834	$848,159,595	$264,052,139	681	$831,329,717	640	$811,447,032	472	$684,121,087	229	$132,703,599	5,940	1,769	1,338,866	$40,524,960
Transit Capital Assistance	$135,527,367	$473,527,227	$33,177,226	227	$91,299,210	232	$74,605,780	180	$58,954,324	52	$15,098,813	3,448	155	673,023	$16,853,249
Total	$1,151,241,190	$1,490,195,822	$374,708,639	975	$1,091,137,927	939	$1,054,561,812	719	$911,584,411	284	$148,221,412	11,176	1,924	2,583,920	$78,312,348
Minnesota															
Clean Water State Revolving Fund	$82,564,014	$82,564,000	$57,102,856	25	$79,682,760	25	$79,682,760	25	$79,682,760	3	$1,383,951	967	139	202,073	$7,857,958
Fixed Guideway	$1,851,573	$1,851,573	$0	2	$1,851,573	2	$1,851,573	1	$1,820,700	0	$0	0	0	0	$0
Highway Infrastructure Investment	$502,284,177	$496,943,671	$245,375,782	216	$492,731,202	199	$451,672,634	197	$450,512,634	74	$138,754,096	6,220	406	1,216,825	$41,051,920
Transit Capital Assistance	$93,341,542	$93,341,542	$28,949,209	88	$67,636,608	87	$67,572,552	84	$78,449,437	63	$27,107,722	2,535	13	444,640	$18,558,140
Total	$680,041,306	$674,700,786	$331,427,847	331	$641,902,143	313	$600,779,519	307	$610,465,531	140	$167,245,769	9,722	558	1,863,538	$67,468,018
Mississippi															
Clean Water State Revolving Fund	$35,308,350	$35,308,300	$4,442,302	16	$33,895,968	16	$33,895,968	16	$33,895,968	0	$0	15	259	64,893	$1,697,232
Highway Infrastructure Investment	$354,564,343	$353,440,928	$176,309,018	167	$351,456,428	163	$349,358,391	110	$298,564,826	38	$89,501,465	498	1,071	1,321,830	$20,690,726
Transit Capital Assistance	$20,552,566	$15,980,554	$2,279,278	8	$503,026	7	$429,406	8	$1,023,173	5	$29,406	149	30	35,771	$431,352
Total	$410,425,259	$404,729,782	$183,030,598	191	$385,855,422	186	$383,683,765	134	$333,483,967	43	$89,530,871	662	1,361	1,422,494	$22,819,310
Missouri															
Clean Water State Revolving Fund	$108,641,808	$108,641,800	$12,415,293	44	$104,955,560	44	$101,955,560	44	$104,955,560	0	$0	104	0	37,865	$1,633,013
Fixed Guideway	$1,289,449	$1,289,449	$116,327	1	$1,170,776	1	$1,170,776	1	$1,170,776	0	$0	10	3	2,297	$113,672
Highway Infrastructure Investment	$637,121,984	$637,121,984	$189,206,282	319	$627,973,489	285	$594,294,690	274	$548,379,517	123	$114,846,064	3,863	0	744,799	$25,962,827
Transit Capital Assistance	$92,797,163	$92,797,163	$21,479,798	50	$38,214,250	48	$37,877,112	44	$32,778,276	25	$17,002,226	146	8	29,696	$1,293,217
Total	$839,850,404	$839,850,396	$223,217,700	414	$772,314,075	378	$738,298,138	363	$687,284,129	148	$131,848,290	4,123	12	814,657	$29,002,729
Montana															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$13,187,328	31	$18,469,536	31	$18,469,536	31	$18,469,536	13	$7,794,800	745	38	143,202	$4,411,296
Highway Infrastructure Investment	$211,793,391	$208,119,064	$76,494,948	84	$208,119,064	82	$206,769,064	78	$199,689,192	27	$17,625,816	2,436	567	576,618	$15,758,249
Transit Capital Assistance	$15,611,710	$15,611,710	$3,457,363	25	$12,985,158	23	$11,811,270	17	$9,796,929	6	$2,357,544	13	22	14,059	$304,707
Total	$246,644,167	$242,969,874	$93,139,638	140	$239,573,758	136	$237,049,870	126	$227,955,657	46	$27,778,160	3,194	626	733,879	$20,474,252
Nebraska															
Clean Water State Revolving Fund	$20,045,025	$20,045,000	$9,410,758	16	$20,045,000	16	$20,045,000	16	$20,045,000	1	$150,000	306	39	63,949	$1,444,085
Highway Infrastructure Investment	$231,739,279	$226,017,724	$90,878,817	121	$226,017,724	121	$226,017,724	118	$222,427,329	13	$26,054,262	2,835	324	560,977	$10,411,929
Transit Capital Assistance	$23,488,593	$22,907,910	$4,609,231	23	$12,667,898	33	$13,639,363	35	$12,037,824	21	$1,655,713	43	38	15,480	$332,364
Total	$275,272,897	$268,970,634	$104,898,806	160	$258,730,622	170	$259,702,087	169	$254,510,153	35	$27,859,975	3,184	401	640,406	$12,188,378
Nevada															
Clean Water State Revolving Fund	$19,239,066	$19,222,555	$1,990,528	13	$19,222,555	13	$19,222,555	10	$11,260,401	2	$949,152	73	36	21,617	$867,320
Highway Infrastructure Investment	$201,352,460	$201,352,460	$36,859,889	69	$201,352,460	40	$175,043,056	29	$101,035,560	5	$7,993,260	1,235	223	273,880	$9,052,749
Transit Capital Assistance	$49,463,770	$49,463,770	$12,284,989	35	$48,068,476	35	$48,068,476	35	$48,068,476	15	$2,443,804	706	126	170,503	$8,239,162
Total	$270,055,296	$270,038,785	$51,135,406	117	$268,643,491	88	$242,334,087	74	$160,364,437	22	$11,386,216	2,014	385	466,000	$18,159,231

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Year One of Implementation includes information from February 17, 2009, through February 28, 2010.

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during April 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
New Hampshire															
Clean Water State Revolving Fund	$39,163,905	$37,597,344	$197,439,441	48	$37,597,344	48	$37,597,344	48	$37,597,344	4	$514,500	234	74	69,117	$2,408,253
Highway Infrastructure Investment	$129,440,556	$129,440,556	$57,321,977	34	$129,440,556	34	$129,440,556	30	$124,167,723	9	$25,218,324	1,667	422	376,187	$8,346,743
Transit Capital Assistance	$16,813,086	$16,813,086	$5,416,322	59	$13,394,070	51	$11,804,882	50	$10,173,153	39	$3,612,407	164	61	36,512	$1,280,148
Total	$185,417,547	$183,850,986	$260,177,740	141	$180,431,970	133	$178,842,782	128	$171,938,220	52	$29,345,231	2,065	557	481,816	$12,035,144
New Jersey															
Clean Water State Revolving Fund	$160,146,855	$160,146,900	$26,144,262	44	$160,146,900	44	$160,146,900	36	$135,629,729	0	$0	85	153	37,897	$2,104,145
Fixed Guideway	$71,580,362	$71,580,362	$50,979,641	2	$22,276,571	2	$22,276,571	3	$58,580,571	0	$0	3,695	110	677,573	$17,235,712
Highway Infrastructure Investment	$651,774,480	$642,851,907	$177,458,199	153	$612,692,203	80	$504,722,645	68	$494,344,666	10	$17,030,158	3,216	647	771,977	$33,124,581
Transit Capital Assistance	$361,789,801	$361,789,801	$140,910,475	13	$296,187,313	13	$294,187,313	15	$359,539,313	1	$5,661,000	4,570	1,073	1,276,329	$32,393,219
Total	$1,245,291,498	$1,236,368,970	$395,492,577	212	$1,091,302,987	139	$981,333,429	122	$1,048,094,279	11	$22,691,158	11,566	1,982	2,783,776	$84,857,657
New Mexico															
Clean Water State Revolving Fund	$23,789,066	$23,789,100	$3,706,679	17	$23,019,536	17	$23,019,536	14	$17,004,496	2	$3,344,971	0	70	31,408	$488,004
Highway Infrastructure Investment	$252,644,377	$252,644,377	$78,416,491	89	$249,664,379	71	$234,630,314	65	$228,591,363	0	$0	356	300	129,449	$2,431,369
Transit Capital Assistance	$27,518,452	$27,518,452	$8,192,225	35	$27,293,452	35	$19,659,595	34	$18,553,519	0	$0	46	0	10,462	$281,597
Total	$303,951,895	$303,951,929	$90,315,395	141	$299,977,367	123	$277,309,445	113	$264,149,378	2	$3,344,971	402	370	171,319	$3,200,970
New York															
Clean Water State Revolving Fund	$432,363,967	$432,564,200	$44,669,665	80	$420,668,684	80	$420,668,684	77	$419,575,561	2	$1,283,051	734	177	208,604	$10,594,990
Fixed Guideway	$254,817,807	$254,817,807	$8,307,919	16	$254,817,807	16	$242,500,152	16	$242,461,090	3	$99,050	409	0	104,409	$5,793,258
Highway Infrastructure Investment	$945,218,723	$1,120,684,723	$242,095,280	418	$920,330,945	384	$795,737,541	348	$771,401,587	91	$76,532,380	6,807	854	1,387,558	$48,067,264
Transit Capital Assistance	$1,204,762,955	$1,042,531,163	$78,288,616	99	$979,395,400	97	$950,318,380	87	$960,111,279	29	$24,836,272	1,850	519	517,603	$22,602,297
Total	$2,837,363,452	$2,850,597,893	$373,261,480	613	$2,575,212,836	577	$2,409,224,758	528	$2,393,549,517	125	$102,750,733	9,800	1,550	2,218,174	$87,057,809
North Carolina															
Clean Water State Revolving Fund	$70,729,065	$70,729,100	$21,403,080	56	$67,899,936	56	$67,899,936	55	$67,476,176	6	$2,090,990	957	654	279,332	$4,544,630
Highway Infrastructure Investment	$730,592,684	$730,409,684	$226,530,446	385	$639,113,424	382	$629,181,990	360	$624,974,605	34	$38,772,421	8,516	1,858	2,011,475	$33,719,958
Transit Capital Assistance	$94,063,199	$79,345,806	$8,537,572	81	$39,503,000	111	$46,719,843	105	$33,692,066	17	$5,504,670	809	144	183,530	$3,617,093
Total	$895,384,948	$880,484,590	$256,491,098	522	$746,516,360	549	$743,801,769	520	$726,142,847	57	$46,368,081	10,282	2,656	2,474,337	$41,881,681
North Dakota															
Clean Water State Revolving Fund	$16,639,066	$16,639,100	$7,656,021	18	$15,869,536	18	$15,869,536	18	$15,869,536	3	$1,035,178	263	0	48,344	$354,112
Highway Infrastructure Investment	$170,126,497	$170,126,497	$76,900,361	163	$164,507,363	159	$161,821,863	99	$98,398,472	60	$56,351,743	2,355	26	415,672	$9,994,767
Transit Capital Assistance	$10,997,089	$10,997,089	$880,172	13	$5,981,794	12	$5,981,794	11	$4,904,596	4	$347,026	2	0	336	$23,327
Total	$197,762,652	$197,762,686	$85,436,554	194	$186,358,893	189	$183,673,193	128	$119,172,604	67	$57,733,947	2,620	26	464,352	$10,372,206
Northern Marianas															
Clean Water State Revolving Fund	$3,280,700	$78,490	$78,490	2	$2,930,700	1	$1,829,000	1	$1,829,000	0	$0	7	0	1,170	unavailable
Highway Infrastructure Investment	$4,500,000	$4,500,000	$34,069	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	1	unavailable	107	$1,716
Transit Capital Assistance	$1,114,292	$0	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$8,894,992	$4,578,490	$112,559	3	$7,430,700	2	$6,329,000	2	$6,329,000	0	$0	8	0	1,277	$1,716
Ohio															
Clean Water State Revolving Fund	$220,623,381	$220,623,100	$39,274,222	274	$220,623,100	274	$220,623,100	255	$207,172,904	18	$2,484,522	992	0	381,083	$10,227,940
Fixed Guideway	$11,182,724	$11,182,724	$0	7	$9,843,813	7	$9,219,394	7	$9,219,394	1	$393,688	342	3	49,337	$1,341,598
Highway Infrastructure Investment	$935,677,030	$902,500,547	$150,574,236	394	$903,500,547	339	$663,108,827	339	$665,108,827	71	$50,783,436	4,702	1,254	1,073,316	$33,167,918
Transit Capital Assistance	$164,619,892	$148,692,122	$58,844,091	298	$140,972,895	291	$118,895,035	232	$110,033,633	180	$48,952,392	3,312	601	726,071	$23,087,871
Total	$1,332,103,027	$1,282,998,493	$248,692,549	973	$1,273,940,355	911	$1,014,346,376	833	$992,034,758	270	$102,613,943	9,248	1,859	2,232,207	$67,825,327
Oklahoma															
Clean Water State Revolving Fund	$31,662,081	$31,662,100	$15,347,100	33	$30,395,616	33	$30,395,616	33	$30,395,616	2	$2,802,399	380	165	200,280	$2,545,271
Highway Infrastructure Investment	$464,655,225	$464,655,225	$289,589,727	262	$445,913,063	238	$437,923,069	209	$421,468,338	86	$103,090,316	8,655	1,033	1,809,473	$31,690,853
Transit Capital Assistance	$35,798,236	$35,798,236	$11,306,572	27	$27,249,301	31	$19,033,241	26	$18,091,029	5	$1,622,745	251	44	65,683	$1,082,913
Total	$532,115,542	$532,115,561	$316,443,399	322	$503,587,980	302	$487,351,926	268	$469,954,983	98	$106,515,460	9,286	1,241	2,075,444	$35,319,037

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	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during April 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Oregon															
Clean Water State Revolving Fund	$44,271,018	$44,271,000	$17,727,007	13	$44,271,000	13	$44,271,000	13	$44,271,000	3	$8,465,340	442	157	120,825	$5,918,959
Fixed Guideway	$1,125,728	$1,125,728	$1,125,728	0	$0	0	$0	1	$1,125,728	1	$1,125,728	121	0	20,887	$1,125,728
Highway Infrastructure Investment	$320,656,698	$267,122,837	$131,747,785	279	$227,589,906	277	$226,481,698	273	$225,218,678	133	$23,402,765	4,828	490	1,059,140	$35,310,252
Transit Capital Assistance	$133,564,544	$133,564,544	$60,278,659	45	$106,313,105	46	$104,535,398	49	$117,436,345	25	$31,435,898	2,282	299	555,387	$25,491,817
Total	$499,617,988	$446,084,109	$210,879,179	337	$378,174,011	336	$375,288,096	336	$388,051,751	162	$61,429,731	7,673	946	1,765,239	$67,846,756
Pennsylvania															
Clean Water State Revolving Fund	$176,912,274	$176,905,304	$55,359,449	87	$176,905,304	87	$176,905,304	84	$175,353,860	24	$2,213,789	1,527	54	570,838	$17,687,782
Fixed Guideway	$84,144,467	$67,987,950	$31,338,161	14	$84,144,467	14	$84,144,467	14	$84,144,467	1	$2,623,818	685	273	191,545	$7,723,523
Highway Infrastructure Investment	$1,026,429,012	$1,023,307,423	$344,898,270	326	$1,023,307,423	326	$1,023,307,423	325	$1,023,307,423	101	$133,455,722	9,317	2,260	2,168,886	$64,146,950
Transit Capital Assistance	$262,229,964	$216,653,910	$62,528,575	94	$243,810,949	88	$244,662,887	85	$239,805,715	25	$18,859,536	1,675	407	465,821	$17,580,523
Total	$1,549,715,717	$1,484,854,587	$494,124,455	521	$1,528,168,143	515	$1,529,020,081	508	$1,522,611,465	151	$157,152,865	13,204	2,995	3,397,090	$107,133,778
Puerto Rico															
Clean Water State Revolving Fund	$51,114,195	$51,114,200	$566,839	5	$49,069,632	5	$49,069,632	5	$49,069,632	0	$0	0	70	24,526	$130,119
Highway Infrastructure Investment	$105,000,000	$104,999,999	$8,461,740	22	$104,999,999	18	$80,510,709	18	$80,510,709	1	$571,297	495	117	125,952	$1,758,417
Transit Capital Assistance	$56,059,951	$41,354,861	$1,974,425	7	$24,360,708	5	$24,920,279	5	$3,658,919	0	$0	41	6	15,512	$142,110
Total	$212,174,146	$197,469,060	$11,003,004	34	$178,430,339	28	$154,500,620	28	$133,239,260	$1	$571,297	536	194	$165,990	$2,030,646
Rhode Island															
Clean Water State Revolving Fund	$26,314,596	$26,314,600	$2,920,624	16	$26,314,600	16	$26,314,600	13	$24,449,492	2	$404,755	82	35	23,273	$1,015,732
Fixed Guideway	$713,273	$713,273	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$137,095,725	$137,445,725	$53,024,066	59	$134,039,570	46	$101,038,866	45	$100,277,833	20	$34,135,770	2,063	123	378,903	$10,604,986
Transit Capital Assistance	$38,001,658	$38,001,658	$86,307	30	$25,871,830	23	$24,824,830	13	$3,063,831	4	$76,518	0	3	445	$12,458
Total	$202,125,252	$202,475,256	$56,030,997	105	$186,226,000	85	$152,178,296	71	$127,791,156	26	$34,617,043	2,145	161	402,621	$11,633,176
South Carolina															
Clean Water State Revolving Fund	$40,148,163	$40,148,200	$13,044,495	22	$40,148,200	22	$40,148,200	22	$40,148,200	0	$0	98	12	68,287	$1,135,436
Highway Infrastructure Investment	$463,081,483	$462,693,923	$122,336,397	174	$453,654,621	$169	$453,654,621	125	$364,530,107	34	$48,835,838	3,315	1,097	849,286	$14,363,113
Transit Capital Assistance	$29,004,261	$23,562,415	$6,646,706	22	$14,461,282	23	$18,023,762	24	$18,687,642	0	$0	68	54	26,022	$545,024
Total	$532,233,907	$526,404,538	$142,027,598	218	$508,264,103	214	$511,826,583	171	$423,365,949	34	$48,835,838	3,481	1,163	943,595	$16,043,573
South Dakota															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$4,598,543	27	$18,469,536	27	$18,469,536	10	$7,538,818	0	$0	55	216	47,561	$508,838
Highway Infrastructure Investment	$186,877,359	$186,591,692	$80,493,436	53	$186,591,692	51	$186,208,667	51	$186,208,667	7	$28,008,388	2,042	147	384,828	$8,334,080
Transit Capital Assistance	$7,372,825	$7,372,825	$3,598,310	48	$4,131,957	48	$4,131,957	41	$3,898,785	38	$3,159,875	83	1	15,048	$289,714
Total	$213,489,250	$213,203,617	$88,690,289	128	$209,193,185	126	$208,810,160	102	$197,646,270	45	$31,168,263	2,180	364	447,437	$9,032,632
Tennessee															
Clean Water State Revolving Fund	$56,930,445	$54,653,184	$2,837,861	24	$54,653,184	24	$54,653,184	23	$52,403,184	0	$0	0	30	8,490	$108,123
Fixed Guideway	$28,040	$28,040	$28,040	1	$28,040	1	$28,040	1	$28,040	1	$28,040	1	0	214	$3,200
Highway Infrastructure Investment	$572,201,043	$572,168,027	$268,109,608	348	$553,326,436	268	$510,719,124	258	$501,820,517	146	$146,641,626	9,940	634	2,089,843	$39,115,481
Transit Capital Assistance	$73,716,802	$71,781,919	$17,085,679	123	$55,492,092	126	$55,782,087	124	$52,446,806	42	$12,981,918	147	46	57,018	$985,019
Total	$702,876,330	$698,631,170	$288,081,188	496	$663,499,752	419	$621,182,435	406	$606,698,547	189	$159,651,584	10,088	710	2,155,475	$40,211,823
Texas															
Clean Water State Revolving Fund	$179,122,284	$179,121,909	$11,854,492	21	$171,957,024	21	$171,957,024	21	$171,957,624	0	$0	221	306	151,886	$4,817,292
Fixed Guideway	$2,609,597	$2,609,597	$495,884	6	$2,250,359	4	$1,850,359	2	$1,850,359	1	$300,940	43	3	9,262	$389,265
Highway Infrastructure Investment	$2,233,015,146	$2,199,018,777	$503,191,271	609	$2,110,907,560	593	$1,928,169,473	528	$1,679,425,683	139	$123,902,313	16,493	3,291	3,909,640	$84,824,265
Transit Capital Assistance	$367,891,810	$365,909,405	$154,259,300	311	$295,608,262	290	$298,840,937	316	$301,670,689	194	$137,504,478	10,276	144	1,919,631	$62,119,825
Total	$2,782,638,837	$2,746,659,677	$669,800,857	947	$2,580,723,205	908	$2,400,817,793	867	$2,154,903,755	334	$261,707,731	27,055	3,743	5,990,419	$152,150,647

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Utah															
Clean Water State Revolving Fund	$20,650,014	$19,823,904	$3,593,477	12	$19,823,904	12	$19,823,904	12	$19,283,904	0	$0	10	0	51,675	$1,659,995
Highway Infrastructure Investment	$213,545,653	$213,919,543	$157,908,991	111	$213,919,543	108	$207,826,140	107	$207,105,140	64	$87,216,077	3,817	53	726,156	$17,438,660
Transit Capital Assistance	$55,586,841	$55,113,782	$32,259,795	14	$53,768,366	15	$54,025,766	13	$53,420,866	3	$15,274,162	1,588	5	282,868	$6,890,591
Total	$289,782,508	$288,857,229	$193,762,263	137	$287,511,813	135	$281,675,810	132	$279,809,910	67	$102,490,239	5,415	58	1,060,699	$25,989,246
Vermont															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$8,377,310	34	$18,469,536	34	$18,469,536	31	$18,469,536	10	$2,948,261	58	132	42,904	$1,285,376
Highway Infrastructure Investment	$125,791,291	$125,791,291	$62,568,860	70	$125,791,291	65	$123,935,673	52	$105,608,466	20	$45,552,728	2,031	159	382,616	$9,236,179
Transit Capital Assistance	$5,680,572	$5,680,572	$1,278,800	12	$3,878,534	12	$3,863,501	17	$3,878,534	8	$1,703,029	0	0	0	$0
Total	$150,710,929	$150,710,963	$72,225,000	116	$148,139,361	111	$146,268,710	98	$127,956,536	38	$50,204,018	2,089	291	425,520	$10,521,753
Virginia															
Clean Water State Revolving Fund	$80,203,266	$80,203,300	$16,634,051	35	$77,720,311	35	$77,720,311	35	$77,720,311	0	$0	59	0	65,451	$856,372
Fixed Guideway	$437,148	$437,148	$437,148	1	$437,148	1	$437,148	1	$437,148	1	$437,148	24	0	4,108	$195,894
Highway Infrastructure Investment	$693,110,823	$693,749,336	$56,718,151	107	$693,110,823	51	$405,850,758	38	$280,189,390	12	$45,704,518	1,521	251	328,636	$6,888,972
Transit Capital Assistance	$68,357,834	$65,303,000	$21,141,393	97	$47,170,756	83	$45,788,625	66	$44,016,659	17	$7,394,244	1,234	9	220,774	$4,869,784
Total	$842,109,071	$839,692,784	$94,930,743	240	$818,439,038	170	$529,796,842	140	$402,363,508	30	$53,535,910	2,838	259	618,989	$12,811,022
Virgin Islands															
Clean Water State Revolving Fund	$2,062,700	$2,062,700	$0	5	$196,320	0	$0	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$18,000,000	$10,729,584	$450,561	3	$10,729,584	3	$10,729,584	3	$10,729,584	0	$0	27	0	4,734	$67,419
Transit Capital Assistance	$1,284,112	$1,284,112	$3,399	5	$1,134,112	0	$0	0	$0	0	$0	0	0	0	$0
Total	$21,346,812	$14,076,396	$453,960	13	$12,059,966	3	$10,729,584	3	$10,729,584	0	$0	27	0	4,734	$67,419
Washington															
Clean Water State Revolving Fund	$68,152,095	$68,151,900	$15,269,127	17	$65,425,824	17	$65,425,824	17	$65,425,824	0	$0	204	227	111,801	$4,699,554
Fixed Guideway	$6,699,276	$6,699,276	$2,265,061	6	$3,401,191	6	$3,401,191	6	$3,401,191	4	$2,783,623	133	76	36,655	$1,192,488
Highway Infrastructure Investment	$491,817,337	$485,770,406	$213,154,296	204	$485,664,406	202	$463,053,120	176	$427,316,363	105	$101,641,626	9,459	1,021	1,963,814	$75,360,555
Transit Capital Assistance	$168,908,628	$168,908,536	$74,223,978	80	$126,906,297	74	$122,791,313	79	$123,475,765	38	$68,396,001	5,950	unavailable	723,137	$21,816,183
Total	$735,577,336	$729,530,118	$304,912,462	307	$681,397,718	299	$656,671,448	278	$619,619,143	147	$172,821,250	15,746	1,324	2,835,407	$103,068,580
West Virginia															
Clean Water State Revolving Fund	$61,092,108	$61,092,100	$23,438,847	39	$61,092,100	39	$61,092,100	39	$61,092,100	2	$1,138,780	951	318	224,292	$9,457,951
Fixed Guideway	$309,339	$309,339	$309,339	1	$309,339	1	$309,339	1	$309,339	1	$309,339	60	0	10,424	$272,805
Highway Infrastructure Investment	$210,852,204	$203,606,343	$88,871,671	137	$200,382,421	114	$188,276,684	110	$178,795,679	57	$58,896,500	1,991	253	408,621	$11,278,736
Transit Capital Assistance	$18,366,136	$18,366,136	$6,230,744	90	$11,571,342	130	$14,227,557	125	$12,163,908	62	$6,016,653	92	86	55,567	$918,995
Total	$290,619,787	$283,373,718	$118,850,601	267	$273,355,202	284	$263,905,680	275	$252,361,026	122	$66,361,272	3,094	658	698,904	$21,928,487
Wisconsin															
Clean Water State Revolving Fund	$105,948,315	$105,948,300	$61,868,511	53	$103,748,300	53	$103,748,300	51	$100,666,590	1	$74,677	438	0	124,585	$3,721,547
Fixed Guideway	$243,232	$243,232	$0	1	$243,232	1	$243,232	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$529,111,915	$518,331,644	$216,335,929	410	$518,331,644	405	$510,303,434	259	$402,292,394	182	$102,900,762	5,596	594	1,105,711	$30,231,410
Transit Capital Assistance	$79,249,652	$68,428,072	$15,424,320	69	$52,015,833	68	$49,644,684	52	$36,473,096	35	$5,094,894	121	19	25,592	$521,755
Total	$714,553,114	$692,951,218	$293,628,760	533	$674,339,009	527	$663,939,650	362	$539,432,080	218	$108,070,333	6,155	612	1,255,886	$34,474,712
Wyoming															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$5,255,983	26	$19,239,100	26	$19,239,100	22	$18,014,280	2	$214,712	220	92	73,038	$3,348,529
Highway Infrastructure Investment	$157,616,056	$157,616,058	$92,347,608	65	$157,616,058	65	$157,616,058	64	$156,316,058	22	$45,235,632	2,858	188	545,042	$12,351,360
Transit Capital Assistance	$9,300,399	$8,503,103	$3,098,816	24	$5,707,611	21	$7,679,743	21	$5,036,801	9	$1,166,973	80	15	17,245	$606,755
Total	$186,155,523	$185,358,261	$100,702,407	115	$182,562,769	112	$184,534,901	107	$179,567,139	33	$46,617,317	3,158	295	635,325	$16,306,644
Totals															
Clean Water State Revolving Fund	$3,923,570,879	3,898,529,371	1,179,600,223	1,962	3,835,057,254	1,956	3,833,739,284	1,836	3,680,072,392	152	74,694,714	26,682	6,082	7,949,447	$223,408,061
Highway Infrastructure Investment	$26,513,937,856	$26,292,984,100	$8,096,243,010	11,855	$25,007,138,410	10,784	$22,842,259,113	9,480	$21,137,845,274	3,388	$3,097,943,339	216,513	39,260	49,047,637	$1,348,928,867
Fixed Guideway	$733,037,393	$713,606,066	$176,778,063	140	$652,020,241	135	$631,409,470	132	$631,981,724	23	$48,819,320	10,180	1,312	2,192,733	$93,390,551
Transit Capital Assistance	$6,717,894,075	$6,637,570,946	$1,831,596,008	3,883	$4,994,893,037	3,716	$4,747,392,864	3,536	$4,813,443,535	1,658	$984,368,258	95,011	8,695	19,916,394	$640,457,748
Cumulative Totals	$37,888,440,205	$37,542,690,483	$11,284,217,301	17,840	$34,489,108,942	16,591	$32,054,820,731	14,984	$30,272,342,925	5,221	$4,205,825,631	348,386	55,349	79,106,211	$2,306,185,229

*Consistent with the U.S. Department of Transportation's (DOT) report pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

Year One of Implementation includes information from February 17, 2009, through February 28, 2010

T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of April 30, 2010)

Percentage of Allocated Funds Associated with Project Stages

Highways and Bridges

	Out to Bid	Under Contract	Underway	Average*	Average Rank
Iowa	100.0%	100.0%	100.0%	100.0%	1
Maine	100.0%	100.0%	100.0%	100.0%	1
Pennsylvania	99.7%	99.7%	99.7%	99.7%	3
South Dakota	99.8%	99.6%	99.6%	99.7%	4
Wyoming	100.0%	100.0%	99.2%	99.6%	5
New Hampshire	100.0%	100.0%	95.9%	98.0%	6
Utah	100.2%	97.3%	97.0%	97.9%	7
Nebraska	97.5%	97.5%	96.0%	96.8%	8
Kentucky	99.3%	98.7%	94.6%	96.8%	9
Montana	98.3%	97.6%	94.3%	96.1%	10
Alaska	97.2%	93.2%	93.2%	94.2%	11
Colorado	98.4%	97.8%	90.0%	94.1%	12
Indiana	94.2%	94.2%	92.5%	93.3%	13
New Mexico	98.8%	92.9%	90.5%	93.2%	14
Oklahoma	96.0%	94.2%	90.7%	92.9%	15
Minnesota	98.1%	89.9%	89.7%	91.9%	16
Washington	98.8%	94.6%	86.9%	91.8%	17
Alabama	94.4%	93.6%	89.1%	91.6%	18
Vermont	100.0%	98.5%	84.0%	91.6%	19
Mississippi	99.1%	98.5%	84.2%	91.5%	20
Georgia	98.8%	92.7%	86.7%	91.2%	21
Missouri	98.6%	93.3%	86.1%	91.0%	22
Idaho	99.0%	87.5%	87.5%	90.4%	23
Tennessee	96.7%	89.3%	87.7%	90.3%	24
Maryland	97.6%	96.7%	82.2%	89.7%	25
Massachusetts	89.3%	89.3%	89.3%	89.3%	26
Michigan	98.2%	95.8%	80.8%	88.9%	27
West Virginia	95.0%	89.3%	84.8%	88.5%	28
South Carolina	98.0%	98.0%	78.7%	88.3%	29
Wisconsin	98.0%	96.4%	76.0%	86.6%	30
Kansas	99.4%	98.5%	74.3%	86.6%	31
North Carolina	87.5%	86.1%	85.5%	86.2%	32
New York	97.4%	84.2%	81.6%	86.2%	33
Illinois	93.2%	90.3%	77.9%	84.8%	34
District of Columbia	98.6%	80.1%	80.1%	84.7%	35
Louisiana	98.9%	86.7%	76.2%	84.5%	36
Texas	94.5%	86.3%	75.2%	82.8%	37
Connecticut	92.4%	80.6%	76.4%	81.4%	38
New Jersey	94.0%	77.4%	75.8%	80.8%	39
Oregon	81.1%	80.7%	80.2%	80.6%	40
Arkansas	83.0%	83.0%	76.9%	80.0%	41
Rhode Island	97.8%	73.7%	73.1%	79.4%	42
Florida	92.8%	79.4%	70.7%	78.4%	43
Ohio	96.5%	71.1%	71.1%	77.4%	44
North Dakota	96.7%	95.1%	57.8%	76.9%	45
Arizona	79.1%	76.0%	76.0%	76.8%	46
Hawaii	78.2%	78.2%	68.0%	73.1%	47
California	84.7%	68.0%	68.0%	72.2%	48
Nevada	100.0%	86.9%	50.2%	71.8%	49
Delaware	94.6%	52.2%	48.3%	60.9%	50
Virginia	100.0%	58.6%	40.4%	59.9%	51
National	94.6%	86.4%	80.0%	85.2%	

* To calculate averages, the Committee gave one-fourth weight to the percentage of allocated funds associated with projects out to bid, one-fourth weight to the percentage of allocated funds associated with projects under contract, and one-half weight to the percentage of allocated funds associated with projects underway.

T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of April 30, 2010)

Percentage of Allocated Funds Associated with Project Stages

Clean Water State Revolving Fund

	Out to Bid	Under Contract	Underway	Average*	Average Rank
Alabama	100.0%	100.0%	100.0%	100.0%	1
Alaska	100.0%	100.0%	100.0%	100.0%	1
Arizona	100.0%	100.0%	100.0%	100.0%	1
Arkansas	100.0%	100.0%	100.0%	100.0%	1
California	100.0%	100.0%	100.0%	100.0%	1
Colorado	100.0%	100.0%	100.0%	100.0%	1
Florida	100.0%	100.0%	100.0%	100.0%	1
Georgia	100.0%	100.0%	100.0%	100.0%	1
Indiana	100.0%	100.0%	100.0%	100.0%	1
Maine	100.0%	100.0%	100.0%	100.0%	1
Maryland	100.0%	100.0%	100.0%	100.0%	1
Massachusetts	100.0%	100.0%	100.0%	100.0%	1
Michigan	100.0%	100.0%	100.0%	100.0%	1
Minnesota	100.0%	100.0%	100.0%	100.0%	1
Mississippi	100.0%	100.0%	100.0%	100.0%	1
Missouri	100.0%	100.0%	100.0%	100.0%	1
Montana	100.0%	100.0%	100.0%	100.0%	1
Nebraska	100.0%	100.0%	100.0%	100.0%	1
New Hampshire	100.0%	100.0%	100.0%	100.0%	1
North Dakota	100.0%	100.0%	100.0%	100.0%	1
Oklahoma	100.0%	100.0%	100.0%	100.0%	1
Oregon	100.0%	100.0%	100.0%	100.0%	1
South Carolina	100.0%	100.0%	100.0%	100.0%	1
Texas	100.0%	100.0%	100.0%	100.0%	1
Vermont	100.0%	100.0%	100.0%	100.0%	1
Virginia	100.0%	100.0%	100.0%	100.0%	1
Washington	100.0%	100.0%	100.0%	100.0%	1
West Virginia	100.0%	100.0%	100.0%	100.0%	1
Illinois	100.0%	100.0%	99.7%	99.9%	29
New York	100.0%	100.0%	99.7%	99.9%	29
North Carolina	100.0%	100.0%	99.4%	99.7%	31
Pennsylvania	100.0%	100.0%	99.1%	99.6%	32
Kentucky	100.0%	100.0%	99.0%	99.5%	33
Utah	100.0%	100.0%	97.3%	98.6%	34
Wisconsin	100.0%	100.0%	97.0%	98.5%	35
Tennessee	100.0%	100.0%	95.9%	97.9%	36
Ohio	100.0%	100.0%	93.9%	97.0%	37
Wyoming	100.0%	100.0%	93.6%	96.8%	38
Rhode Island	100.0%	100.0%	92.9%	96.5%	39
Iowa	100.0%	100.0%	89.8%	94.9%	40
Kansas	100.0%	100.0%	88.7%	94.4%	41
New Jersey	100.0%	100.0%	84.7%	92.3%	42
Hawaii	100.0%	100.0%	83.0%	91.5%	43
Idaho	100.0%	100.0%	80.8%	90.4%	44
New Mexico	100.0%	100.0%	73.9%	86.9%	45
Connecticut	100.0%	100.0%	65.5%	82.7%	46
Louisiana	100.0%	100.0%	61.1%	80.5%	47
Nevada	100.0%	100.0%	58.6%	79.3%	48
District of Columbia	100.0%	100.0%	53.8%	76.9%	49
Delaware	100.0%	100.0%	50.9%	75.4%	50
South Dakota	100.0%	100.0%	40.9%	70.5%	51
National	100.0%	100.0%	96.2%	98.1%	

* To calculate averages, the Committee gave one-fourth weight to the percentage of allocated funds associated with projects out to bid, one-fourth weight to the percentage of allocated funds associated with projects under contract, and one-half weight to the percentage of allocated funds associated with projects underway.

Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Miles Improved by Recovery Act Highway and Bridge Funds

State	New Construction	Pavement Improvement	Pavement Widening	Safety Traffic Management	Transportation Enhancements	Other	Total
Alabama	5	979	15	159	8	29	1,194
Alaska	84	132	1		15		231
Arizona	13	488	82	5	7	189	783
Arkansas	30	178	44			1	254
California	4	1,940	29	216	215	73	2,476
Colorado	5	260	17	75	17	3	376
Connecticut		105			1		106
Delaware	3	36		109	2	5	153
District of Columbia		31		14	28		74
Florida	8	555	69	145	100		878
Georgia	21	1,130	35	121	47	4	1,357
Hawaii		22	1			1	23
Idaho	5	158	18		1	20	203
Illinois	13	1,712	3	27	27	63	1,845
Indiana	9	2,444	22	199	62	32	2,769
Iowa	7	643		1	54	6	711
Kansas	3	106	26		3	7	146
Kentucky	6	140	20	1			167
Louisiana	12	62	5		6		85
Maine		212					213
Maryland		83	2	43	30		159
Massachusetts		211		101	2		315
Michigan		1,692	44	265	119	92	2,213
Minnesota	7	585	4	503	29	4	1,131
Mississippi	4	313		1	4		322
Missouri	38	1,245	58	5	53	16	1,415
Montana		224	6	1			231
Nebraska		276	2				279
Nevada		178			6	33	217
New Hampshire	3	523	4		1		531
New Jersey		79		8	17	42	146
New Mexico	27	231	34		31		323
New York		858		39	5	50	952
North Carolina		81					81
North Dakota		900			5	9	915
Ohio	13	899	13	29	15	1	969
Oklahoma		448	30	1	8		488
Oregon		427	11	179	3	69	690
Pennsylvania		910	3	290	376	5	1,584
Rhode Island		109		48	3	3	164
South Carolina	4	271	30	197	13	1	516
South Dakota		529	1				531
Tennessee	20	792	40		12	16	880
Texas	18	1,546	111	16	16	21	1,728
Utah	9	181	11	5	4	4	213
Vermont		235	9				244
Virginia	12	247	12	1		20	292
Washington	4	562	10	773	28	1	1,378
West Virginia	1	140	6	6			153
Wisconsin	1	417	36			31	486
Wyoming		753	4	14	4	34	807
American Samoa							-
Guam							-
Northern Marianas						2	2
Puerto Rico		33	3				36
Virgin Islands	5						5
National	391	27,309	872	3,598	1,378	889	34,438

This table was prepared by the Committee on Transportation and Infrastructure Majority staff based on information provided by the U.S. Department of Transportation. Data is based on obligations as of March 23, 2010.

Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Bridges Improved by Recovery Act Highway and Bridge Funds

State	Bridge Improvement	Bridge Replacement	New Bridge Construction	Total
Alabama	1	5		6
Alaska	2			2
Arizona	6	3	2	11
Arkansas	1	4	2	7
California	6	4		10
Colorado		4	1	5
Connecticut	11	5		16
Delaware	3			3
District of Columbia	2			2
Florida	18	2	2	22
Georgia		28		28
Hawaii	4	1		5
Idaho	7		2	9
Illinois	47	28		75
Indiana	89	20	16	125
Iowa	5	20	2	27
Kansas	2	15	1	18
Kentucky	1			1
Louisiana		12		12
Maine	5	3		8
Maryland	10	2		12
Massachusetts	3	2		5
Michigan	25	13		38
Minnesota	5	29	4	38
Mississippi	6	14		20
Missouri	9	8	2	19
Montana	3	4		7
Nebraska	7	19		26
Nevada			1	1
New Hampshire				-
New Jersey	9	7	1	17
New Mexico	3	4	1	8
New York	54	50		104
North Carolina	18	26	1	45
North Dakota	1	5		6
Ohio	29	30	2	61
Oklahoma	6	56	4	66
Oregon	1			1
Pennsylvania	80	33		113
Rhode Island	6	1		7
South Carolina		8		8
South Dakota	1			1
Tennessee		54	1	55
Texas		23	12	35
Utah	4	3		7
Vermont	11	3		14
Virginia	1	1	2	4
Washington	2	7	3	12
West Virginia	26	26		52
Wisconsin	20	62	1	83
Wyoming	3			3
American Samoa				-
Guam				-
Northern Marianas				-
Puerto Rico	1		1	2
Virgin Islands				-
National	554	644	64	1,262

This table was prepared by the Committee on Transportation and Infrastructure Majority staff based on information provided by the U.S. Department of Transportation. Data is based on obligations as of March 23, 2010.

HEARING ON RECOVERY ACT: PROGRESS REPORT FOR INFRASTRUCTURE INVESTMENTS

Wednesday, May 26, 2010,

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
WASHINGTON, DC.

The Committee met, pursuant to call, at 10:09 a.m., in room 2167, Rayburn House Office Building, the Honorable James Oberstar [Chairman of the Full Committee] presiding.

Mr. OBERSTAR. The Committee on Transportation and Infrastructure will come to order for the purpose of our hearing this morning, the 19th in a series of hearings we have conducted to maintain oversight, accountability, and transparency on this Committee's portion of the Recovery Act funds, which I call stimulus funding.

There is no question about the use of the funds from the programs under the jurisdiction of this Committee, especially, in highway and transit, because those funds go out by formula to each State, which receives its specific apportionment according to law, and the distribution is very clear. There is a very clear path from the time the State DOT obligates the funds, announces bids, invites bids, awards bids, contract gets underway, construction work is underway, and the reimbursement process begins.

All of that is measurable, trackable, and we receive a report every 30 days, with now 100 percent of the $34 billion in highway and transit funds obligated, all $34 billion. Fifteen thousand, eight hundred seventy-eight projects are out to bid. That is $30.7 billion, 90 percent of the funds out to bid. Fourteen thousand, six hundred thirty-four projects are under contract. That is 83 percent of the funds. Thirteen thousand, one hundred forty-eight projects are actually underway on job sites. That is 78 percent of the funds. And 12 percent of all the funds, 5,069 projects, are actually completed already.

The Clean Water State Revolving Fund formula programs, 1,962 projects out to bid. That is 100 percent of the $3.8 billion. One thousand, nine hundred fifty-six projects are under contract. That also is 100 percent. And 1,836 projects work is underway, 96 percent of the funding.

In addition, we can account for 1,170,000 jobs in the first year of the stimulus program on highway, transit, and wastewater treatment; and an additional 159,066 total direct indirect and induced jobs, that is, those that are on job site, the Ready Mix plants that reopened, the sand and gravel pits that reopened, the rebar, the steel service centers, all of which would not have been producing without these stimulus funds. We can account for $2.3 billion in direct jobs, that is, those that are on job site, $2.3 billion in payroll; $472 million in taxes paid by those working, by those onsite job persons; and $387 million in unemployment compensation checks avoided because people are being paid to work and not paid for not working.

In addition, well over 34,000 lane miles of highway have been improved, upgraded, replaced. That is roughly equal to three-fourths of the interstate highway system in one year. Twelve hundred sixty-one bridges restored, replaced, rebuilt; 10,000 transit buses acquired, purchased, produced by the three manufacturers in the U.S., all 100 percent American made; and some 2400 transit stations replaced, rebuilt, restored.

Not only do we have people working, not only are they paying taxes, they are paying their mortgages, they are not getting unemployment compensation checks, they are leaving real tangible benefits behind in permanent improvements that improve productivity in our total economy.

Think of December 2008, just before we launched the stimulus. The economy lost 673,000 jobs. In April of this year the economy gained 290,000 jobs. The Recovery Act really has stimulated economic development not only on the job sites, on the projects under the jurisdiction of this Committee, but all throughout the economy.

We have testimony today from the Environmental Protection Agency, from the Assistant Secretary of the Army for Civil Works, the Corps of Engineers, the Public Buildings Service, Economic Development Administration, and FEMA. We also have testimony from GAO, which is going to give us a report on their assessment of success stories and problems and concerns with oversight by the responsible Federal Government agencies; and we have a third panel including a dairy farmer from Franklin, Vermont, the President of Ellicott Dredges, the Biohabitats Company, and the Green Building Council.

I think on these programs under the jurisdiction of our Committee there is a good and encouraging success story to tell. The $1.1 billion in EPA projects that have improved public treatment works affecting 60 million people, about a third of those covered by sewers. The Corps of Engineers will report on their navigation repair and improvement to 284 locks, commercial ports, 1,124 dam and safety levee projects, and upgrading of 460 recreation areas. GSA will give us a detailed report on their insulation of photovoltaic arrays on roofs and improvement of water systems.

All in all, I think, for the work under the jurisdiction of our Committee, we can say that, from my perspective, it has been a success putting people to work, using the funds productively, leaving permanent benefits behind.

With that, I yield to Mr. Mica, the senior Republican on our Committee.

Mr. MICA. Well, thank you so much. I must say Mr. Oberstar and I had the same intentions. We came back right after the elections, before we passed the stimulus package. We tried to put together a package that would have truly put people to work, I believe; probably would have been about $120 billion to $150 billion. We had support from the Committee. We thought the bill total would be about $250 billion, $300 billion. As it turned out, it was $787 billion. About 7 percent went for infrastructure. Of that, the Department of Transportation had $48 billion.

And, Mr. Chair, you tried to put as positive a light on the success, and I think they are trying to get that money out, but as of May 21st, only 25 percent of the total money had actually been spent by the Department of Transportation. And today we are not focusing on the Department of Transportation, we are focusing on other agencies; and I put the other agencies up there that are testifying today. I wish the performance could be better for getting the money out, because we need to get people to work. We need jobs.

Now, the little chart that I has shows that, unfortunately, FEMA has probably the lowest percentage out, less than 1 percent of the money out. Then we have some not as bad performers: 7 percent of money. This is actually money spent. There is money allocated, and I will talk about that in a minute. We have two in the 7 percent range, GSA. And GSA has a huge amount. Let me say for FEMA, they have a much smaller amount, but a very small amount.

Ms. Norton, if you will note that, maybe we can light a fire under those people. Got a lot of buildings that we could acquire, right, Mr. Chairman, Madam Chairman? And we could save the taxpayers a huge amount of money buying buildings or re-leasing at 50 cents on a dollar. God, that would be a stupid deal.

OK, then we have the Corps of Engineers is actually the best, I guess, in actually spending the money; they have 30 percent spent.

So that is the little report, and you can see by that chart.

Now, you know, if you believe the stimulus package is bringing the economy around, maybe again you are smoking the funny weed, folks, because unemployment actually went up to 9.9 percent across the Country. It is devastating in my State. I have a couple counties with over 16 percent unemployment in Florida. In fact, the CBS New York Times poll, now, they aren't the most conservative group around, found only 6 percent of Americans believe, now, there is an element of belief in this, that the stimulus has created jobs.

Well, the Associated Press found that 34 percent of Americans believe in UFOs. So there is more belief in unidentified flying objects than there are that the stimulus is actually helping. And if you look at the data, again, we are growing in unemployment nationally.

There are some disturbing trends here. Unemployment in the construction sector is now 21.8 percent. And this Committee, with our legislation and our effort, could and should get more people to work. And I know every Member here is hurting in their respective districts. The numbers of jobs lost since the start of 2008 is 8 million jobs. They told us if we passed the stimulus, the $787 billion package, that we would keep unemployment at 8 percent. Folks, it is not happening.

Finally, let me tell you a couple things. I got this economic recovery. This is the Florida fact sheet. Other Members, you ought to get one of these; they probably have them for every State, maybe the District too, Ms. Norton. But it is quite revealing. I was shocked to see that Florida requested $6.9 billion and we got $1.3

billion allocated for Florida. So far, to date, you know what we have spent? Two hundred thirty million dollars.

Do you know what every job costs us? This is from the report, and this data is online from the Administration. We created or saved 2,000 jobs, and the cost of each job was $115,000. So I have some issues there.

Then the Government Accountability Office, not the Republican side of the aisle, but the Government Accountability Office found that one out of every ten jobs that were saved or created by the stimulus came from projects that haven't spent any money yet. That is not me, that is the GAO in their evaluation of the performance of this program.

Finally, a new phenomena is occurring. We are, what, 16 months into this, 15 months into this? And I was stunned when I heard this. This is what is called a de-obligation sheet. And you are going to hear, oh, we have only spent a small amount of money, but we have obligated a great deal of money in these agencies. Members ought to get a copy of this. This is the de-obligation sheet by district.

What is happening is the projects are being de-obligated, and for several reasons that I looked into: one, States who have to work in an honest, fiscally responsible manner, in other words, they have to balance their budget, some of them are cutting back dramatically on projects because their revenues are less. So what is happening is they are de-obligating projects. And then some, of course, are getting re-obligated.

But this is something to look at. It is taking so long and it is so difficult to approve some of these projects, and then the States have shortfalls or local government. These are hundreds of millions of dollars in de-obligation which is taking place, a new phenomena that concerns me. And, again, we have seen the difficulty in getting that money out there.

So I want to get the money out there. We need to cut the red tape; we need to cut some of the bureaucracy. If we can do it in Mr. Oberstar's area, with the bridge that took 437 days to replace over the Mississippi River between Minneapolis and St. Paul, if we did it there and that was a crisis, an emergency to replace the interstate, there is no reason that we can't, in this emergency situation, put people to work and expedite either a category of funding or specific projects like we did in Minneapolis and get people working, get projects and infrastructure underway in this Country.

Thank you, Mr. Chairman. I yield back the balance of my time.

Mr. OBERSTAR. Well, you don't yield back time because you have unlimited time to speak.

Mr. MICA. Well, I meant——

Mr. OBERSTAR. You concluded what you had to say. Thank you. It is the practice in our Committee that the Chair and the Ranking Member have such time as they may need to make their case, and you have made your case. And I fully agree that our Committee, and I have said it many, many times, should have had at least $250 billion of the stimulus, because we can track it, we know where it is going, the projects go out, the people are on job sites, and the results are long-term and lasting.

Yet, I think the gentleman's comment about money being spent is not a complete representation of the picture, because in the Federal highway program it is a reimbursement program. The State advertises for bids, awards bids, contractors begin work, the State pays the contractor and then bills the Federal Government for reimbursement. Those reimbursements lag significantly. That is the spending part, when the State is reimbursed.

So the projects and the work and the jobs and the payrolls precede the so-called spending. So when I said that there is a very substantial $2.3 billion in payroll, those are people on job sites, the direct jobs. I don't have payroll numbers for those in the secondary because I don't think it is appropriate to try to get those numbers. But we know that there are induced jobs, and every contractor can tell you that when they win the bid, they then open their sand and gravel pit, and that means people working who are not on the job site, but they are supplying for the job site.

Secondly, for the de-obligation, it is an interesting phenomenon that when the bids started coming in 25 percent below final design estimates, States realized that they could award many more contracts and do much more work, so they de-obligated projects and then started over again; that is, they said they are not going to do this project now, we are going to do it another time, we are going to redesign it, and they got more for their dollar amount.

Ms. Norton, a few minutes.

Ms. NORTON. Thank you, Mr. Chairman. I am very glad that you clarified that point, because I think that point is of utmost importance to how this money is being used and that States are taking advantage of the fact that the one advantage we have in this recession is that it has lowered the price of what has to be done and what has to be bought.

I do want to say, Mr. Chairman, that, true to your word, you have given new meaning to the word oversight. You were never wanting for that, but these hearings and the 30-day reports have had a real effect. I have tried to follow your example. We have had a great number of hearings in our own Subcommittee, and where I could get out, I have actually gone and done unannounced site visits.

I do want to correct some of what the Ranking Member said, because it seems to me you have to talk about these things in terms of percentages; you know just show a graph and say how much this, that, or the other. For example, the General Services Administration has begun work on 74 percent of the funds. EDA has allocated all and broken ground on 62 percent.

And if I may say so, Mr. Chairman, all but the GSA, which gets to spend directly, are working through States. So the EDA and these other agencies don't have the direct control that can command that the money be spent; we have to use the kind of due diligence to assure competition. And, yet, look at the effect they are having.

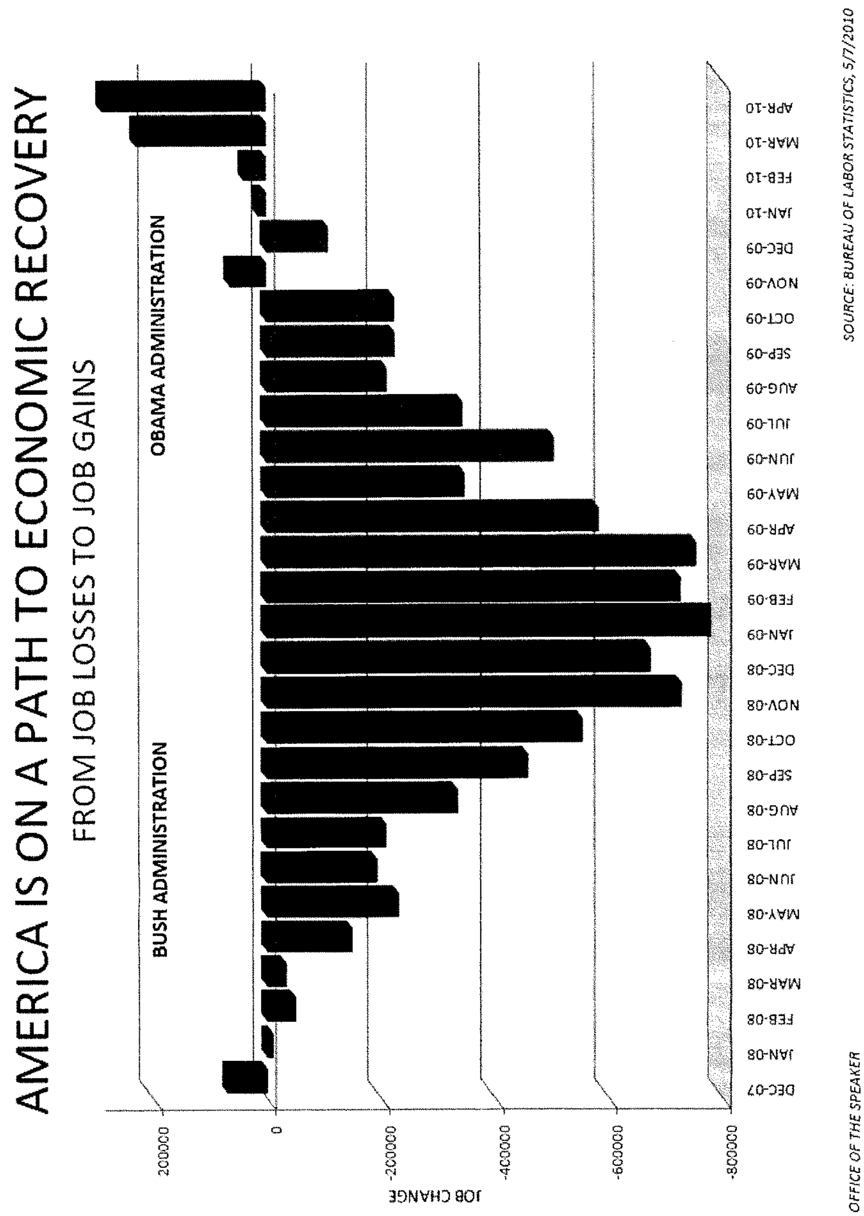
Mr. Chairman, finally, I want to just say this is something you don't have to see up close to refute the notion that the stimulus has done no good. This is where the Bush administration left everybody: way below the line; so below the line that nobody thought we would ever rise above that line in our lifetime. You don't need to see this up close, I think you have it on your desks, to see where we are now.

This down line has gradually diminished and we have nothing but up lines in that column. It didn't get that way by osmosis; it got that way for a number of reasons. This is not the only Committee that has been working to, in fact, heal the economy, but, for sure, the reason that there is less unemployment, the reason that this line looks the way it does has a great deal to do with what the stimulus funds allocated by this Committee have done.

And I think the Chairman and the Administration deserve our commendation for these results, graphic results. You want to put something up there? Put this up there and explain this except by what the Administration, this Committee, and other Committees have done.

Thank you, Mr. Chairman.

[The information follows:]


AMERICA IS ON A PATH TO ECONOMIC RECOVERY
FROM JOB LOSSES TO JOB GAINS
BUSH ADMINISTRATION
OBAMA ADMINISTRATION
JOB CHANGE
200000
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-400000
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DEC-07
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SEP-08
OCT-08
NOV-08
DEC-08
JAN-09
FEB-09
MAR-09
APR-09
MAY-09
JUN-09
JUL-09
AUG-09
SEP-09
OCT-09
NOV-09
DEC-09
JAN-10
FEB-10
MAR-10
APR-10
SOURCE: BUREAU OF LABOR STATISTICS, 5/7/2010
OFFICE OF THE SPEAKER

Mr. OBERSTAR. I thank you for that chart. You get the Committee award for the most hearings next to the full Committee hearings. You have been vigorous in your pursuit of the responsibilities and I thank you for your relentless pursuit.

Will there be one Member on the Republican side?

Mr. MICA. We don't have anyone.

Mr. OBERSTAR. We will then begin with our first panel. We will begin with Craig Hooks, Assistant Administrator for Administration and Resources Management at EPA. Thank you for being with us.

Mr. HOOKS. Thank you, Mr. Chairman.

Mr. OBERSTAR. Good to see you again.

Mr. HOOKS. Likewise.

TESTIMONY OF CRAIG E. HOOKS, ASSISTANT ADMINISTRATOR FOR ADMINISTRATION AND RESOURCES MANAGEMENT, ENVIRONMENTAL PROTECTION AGENCY; TERRENCE C. SALT, DEPUTY ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS), U.S. ARMY CORPS OF ENGINEERS; MARY WALSH, CHIEF OF STAFF, PUBLIC BUILDINGS SERVICE, ARRA NATIONAL RECOVERY PROGRAM MANAGEMENT OFFICE, GENERAL SERVICES ADMINISTRATION; JOHN FERNANDEZ, ASSISTANT SECRETARY FOR ECONOMIC DEVELOPMENT, U.S. DEPARTMENT OF COMMERCE; ELIZABETH HARMAN, ASSISTANT ADMINISTRATOR, GRANT PROGRAMS, FEDERAL EMERGENCY MANAGEMENT AGENCY; AND DAVID TRIMBLE, ACTING DIRECTOR, NATURAL RESOURCES AND ENVIRONMENT, GOVERNMENT ACCOUNTABILITY OFFICE

Mr. HOOKS. Mr. Chairman, Ranking Member Mica, and Members of the Committee, thank you once again for providing me the opportunity to appear before you today to discuss EPA's progress in implementing the American Recovery and Reinvestment Act.

EPA received $7.2 billion for programs administered by the Agency to protect and promote both green jobs and a healthier environment. These programs include the Clean Water State Revolving Fund, the Drinking Water State Revolving Fund, the Superfund Program, the Brownfields Program, the Leaking Underground Storage Tanks Program, and the Diesel Emission Reductions Program.

As I reported to you last time I appeared before this Committee, in February, we worked very hard to quickly distribute 100 percent of the funds to our partners to clear the way for rapid investment in construction, land reuse, and redevelopment. With that task behind us, we have closely monitored expenditures, tracked how quickly cleanup and construction projects are completed, and documented environmental and economic achievements, and the news is good.

According to the latest data, recipients of EPA Recovery Act funds have reported over 9,600 jobs as of March 31. We have seen an increase of over 2,800 reported new jobs in just about three months, the majority coming from State Revolving Fund projects. We are very encouraged by the creation of these jobs and I believe that they will continue to grow.

A number of these jobs resulted from the Recovery Act funding that went to train individuals to pursue environmental careers. One such example comes from a three-year, $500,000 Brownfields Job Training grant given to Florida State College in Jacksonville. On February 26th of this year, 22 out of 24 students graduated from the first environmental cleanup job training course.

Of the $4 billion provided to the Clean Water State Revolving Fund, the March 31 report indicates that 90 percent, or 1,585 of the non-tribal Clean Water SRF projects have started construction and 58 are complete. Thirty tribal projects are underway and nine projects are already completed there as well.

Currently, 46 Superfund sites have initiated onsite construction with new or ongoing projects, with the five remaining Recovery Act funded sites commencing work within the next two months. Twenty-seven percent of the $600 million are in rural areas and 20 percent of the Superfund sites have achieved construction completion, and at 60 percent of the sites human exposures are now under control.

Of the $100 million allocated for the Brownfields Program to assess and clean up contaminated land, assessments are complete for 233 properties. We are currently processing $10.75 million in loans in subgrant activity for Brownfields Revolving Fund grantees.

We are already seeing numerous examples of how Recovery Act funds are responsible for many environmental success stories across the Nation. For example, trash and litter, along with other pollutants, threaten urban waterways like Indian Creek and Cobbs Creek in Pennsylvania. On a recent visit to Cobbs Creek, I was able to see how Recovery Act funds focusing on green infrastructure are helping to empower local residents to take important and critical steps to protect their community.

Earlier this month, I also had the opportunity to visit, personally experience and see the environmental conditions found in Camden, New Jersey, in the spirit of its residents and the progress EPA has made in cleaning up areas for reuse by this community. The Camden Redevelopment Agency is using $400,000 in Recovery Act funds to conduct environmental site assessments and support community outreach activities. Cleaning up this property will facilitate the future development of several light industry complexes in this area.

Recovery Act funding is also helping EPA's Superfund response in places like Coeur d'Alene, Idaho. This Superfund cleanup consisted of removing lead-and arsenic-contaminated soil and gravel in 260 properties, more than doubling the cleanup activities completed during the previous construction season.

Over the next six months, we anticipate many new project starts, more job creation, and other success stories where there are measurable public health and environmental results. We look forward to continuing our work with this Committee, our partners, and the public to ensure an economically and environmentally healthier country for all Americans.

Thank you again for inviting me to testify here today, and I look forward to answering any questions that you might have.

Mr. OBERSTAR. Thank you for that testimony. I have a number of questions, which I am sure others do as well, but I will follow up later.

Mr. Secretary, Civil Works. You call yourself Rock Salt?

Mr. SALT. Yes.

Mr. OBERSTAR. That is a great name. Please proceed.

Mr. SALT. Yes, sir. Mr. Chairman and distinguished Members of the Committee, I am Rock Salt, the Principal Deputy Assistant Secretary of the Army for Civil Works. Thank you for the opportunity to testify before the Committee today and discuss the U.S. Army Corps of Engineers' implementation of the Civil Works appropriation within the American Recovery and Reinvestment Act of 2009.

The Corps continues to make great strides to accomplish Recovery Act goals through the development and restoration of the Nation's water resources activities, protecting the Nation's regulated waters and wetlands, and cleaning sites contaminated from early efforts to develop atomic weapons. It is well known that the Corps has a backlog of critical infrastructure work for many aging structures, many that are well over 50 years old. The Recovery Act funds have enabled the Corps to accelerate repair and improvement of many projects, thereby mitigating the risk to American lives and property, and putting many Americans to work.

Work the Corps has underway includes the repairing or improving of 48 locks and 236 commercial ports to reduce the risk of failures that would disrupt navigation and be detrimental to the American economy. In addition, 35 hydropower projects are being repaired or improved to avoid disruptive power outages. What the Corps is doing with Recovery Act funds is not only a short-term stimulus, but also a long-term contribution to the stability of the American economy and the well-being of our Nation's citizens.

As of April 30th, 2010, our financial obligations are over $3.5 billion. Total outlays, primarily comprising payments made to contractors for work completed, have reached nearly $1.4 billion. We have completed work on over 150 projects. Work is underway or complete for 284 navigation projects, 304 flood risk management projects, 143 environmental restoration projects, 148 environmental infrastructure projects, and 35 hydropower projects, as well as the inspection of 820 levees.

The Corps has awarded over 4,400 contract actions, with 73 percent awarded to small businesses. Almost $1.4 billion, or 44 percent, of the total dollar value has been awarded to small businesses. In addition, larger companies receiving Civil Works contracts are encouraged to hire local small businesses as their subcontractors.

Recipients of Civil Works funds report approximately 6,700 jobs created or retained for the third reporting quarter. Civil Works investments also support numerous indirect jobs in industry supplying material and equipment, and jobs are supported as direct and indirect income generates increased consumer spending.

The $4.6 billion in Recovery Act funds provided to the Corps has provided resources for the Corps Civil Works program to pursue investments that create and preserve jobs and yield good returns for the Nation's economy.

Thank you for allowing me to testify today. I look forward to questions from you or other Members of the Committee.

Mr. OBERSTAR. Thank you'very much, Mr. Secretary. And I will have questions, but I just want to take this brief moment.

Sunday I was in Rochester, Minnesota. I had been there for a meeting with local and county government officials on their transportation needs, but also to tour the Corps' flood control project. In 1978, the City of Rochester was devastated by a massive flood following several days of heavy rain. Seven people died in a nursing home when, trying to get out of the building and the elevated shorted out, they sank to the bottom and drowned in their elevator.

I was at a meeting in the yard of the home of an endocrinologist at the Mayo Clinic with a gathering, and she said this property was under water, completely under water in 1978. Last summer we had a similar immense rainfall and this property was dry.

I had the opportunity to bike ride along the bicycle trails, 30 miles of cycling, I might say, around the flood control projects of Rochester, Minnesota, to see the permanent benefits that happen when you do the right thing, when the Corps, that gets so much criticism from people about not doing this or not doing something else. This is one of thousands of projects the Corps has undertaken that have saved lives and made a difference in the economy. The central city of Rochester is vibrant again because of that flood control project.

Mr. SALT. Yes, sir. Thank you.

Mr. OBERSTAR. Not my district, but I supported it. I introduced it.

Ms. Walsh, thank you for being with us.

Ms. WALSH. Good morning, Chairman Oberstar, Ranking Member Mica, and other Members of the Committee. My name is Mary Walsh. I am the Chief of Staff for the Recovery Program Management Office of the General Services Administration's Public Buildings Services. Thank you for the opportunity to appear before you today to discuss GSA's contribution to our Nation's economic recovery through green modernization and new construction of our Federal buildings.

The investments we made and continue to make in our public buildings are helping to stimulate job growth and retention, and improve the environmental performance of our inventory, as well as facilitate developments in energy-efficient technologies, renewable energy generation, and green building solutions.

I would like to summarize our recent accomplishments. We submitted an initial spend plan on march 31st, 2009, based on two overarching criteria: the potential of projects, one, to put people back to work quickly and, two, to transform Federal buildings into high-performance green buildings.

As we identified savings from projects underway, we revised the spend plan to reallocate these savings toward the enhancement, acceleration, or funding of other projects. To date, we have revised our spend plan three times, in November, January, and March. These revisions represent a reallocation of more than $500 million. Our current spend plan includes 262 projects in all 50 States, the District of Columbia, and two U.S. territories. Our objective is to deliver projects on schedule, on budget, and on green.

We established and met aggressive targets to fulfill the intent of the Recovery Act, including $1 billion in contract awards by August 1st, 2001; $2 billion in total contract awards by December 31st, 2009; over $4 billion in total contract awards by March 31st, 2010. We are on track to meet our next target of awarding $5 billion in total construction awards by September 30th, 2010.

We are meeting our performance target of on green by investing in high-performance green building projects. Recovery funds also provide us with the opportunity to become a green proving ground by identifying projects and gathering data to measure the returns on investment in emerging green technologies and practices. Our investments are helping to stimulate the economy. To date, we have obligated over $4.1 billion to more than 500 companies. Notably, GSA's obligations are awards that flow directly to our contractors in the construction, real estate, architecture, and engineering sectors.

Significant activity immediately follows contract award. For example, contractors must secure financing, hire personnel, and begin first steps to perform the contract. As progress is made, payments for work associated with construction or design projects are outlaid through progress payments. This continues over the life of the contract and provides steady support for our economy over an extended period, not just a jolt that lasts only a few months.

Our Recovery Act funding recipients have reported that 2,683 prime contractor jobs were funded as a direct result of PBS Recovery Act funding during the reporting quarter ended March 31st, 2010. I am proud to report that, as of April 30th, 2010, more than 99 percent of GSA's recipients have reported in 539 reports.

GSA's infrastructure investments vary in scope, type, and complexity, and cover our entire portfolio. Projects range from the new courthouse in Austin, Texas, to St. Elizabeths in Washington, D.C., the largest Federal project in the area since the construction of the Pentagon. At the B.H. Whipple Federal Building project in Fort Snelling, Minnesota, the facility will use a geothermal ground source heat pump system for both heating and cooling that will greatly reduce the facility's energy usage. Other exciting new approaches to energy conservation include a net zero energy building at the Columbus, New Mexico Land Port of Entry.

Apprenticeship and pre-apprenticeship programs are also an important part of our Recovery Act program. Since the launch of the pre-apprenticeship program, GSA has made three awards. These include the Community Services Agency of the Metropolitan Washington Council, AFL–CIO in Washington, D.C., Oregon Tradeswomen Inc. in Portland, Oregon, and Warren Electrical Joint Apprenticeship and Training Trust Fund. CSA graduated 126 pre-apprenticeship trainees, with 52 hired for employment. OTI graduated 79 pre-apprenticeship trainees, with 22 hired for employment.

In addition to our Recovery Act funds, we have received over $428 million of an expected $1 billion in Recovery Act reimbursable work from other agencies, such as the Department of State and the Social Security Administration.

Today I have described GSA's accomplishments and contributions to our Nation's economic recovery through funds provided by the

Recovery Act of 2009. Thank you for the opportunity to appear before you today. We look forward to working with you and Members of this Committee as we continue to deliver this important work.

Mr. OBERSTAR. Thank you'very much for that very encouraging, uplifting report. Again, I will have questions later, as will others.

Mr. Fernandez for EDA.

Mr. FERNANDEZ. Good morning.

Mr. OBERSTAR. Probably my favorite of all Federal Government agencies, since I was there at its creation.

Mr. FERNANDEZ. And we appreciate your continued support, Mr. Chairman.

Mr. OBERSTAR. For those who don't understand, the shorthand of that remark is that I was chief of staff for my predecessor in 1965, when we wrote the Federal Economic Development Administration and Appalachian Regional Commission legislation, Mrs. Capito, and I wasn't a Member of Congress, but I feel ownership of that legislation and I am very proud of what has been accomplished in Appalachia and in EDA.

So please proceed.

Mr. FERNANDEZ. Thank you, Mr. Chairman and Ranking Member Capito and Members of the Committee. I appreciate the opportunity to update you on our progress with our EDA Recovery Act projects.

As you know, we received $150 million in Recovery Act funding. By the end of last September, a year ahead of schedule, we approved 100 percent of our allocation, funding 68 projects in 37 States. We invested $50 million to promote the development of regional innovation clusters, $37 million to promote business incubation, $27 million to promote green jobs, $11 million for trade promotion, and another $25 million for a variety of other development projects. Our project investments ranged from $184,000 to $6.4 million.

EDA awarded $141.3 million, 96 percent of our Recovery Act funds for construction projects. EDA's Recovery Act investments are expected to leverage $981 million in private investment over the next nine years.

In the three months since I last appeared before the Committee, a number of additional projects have broken ground, helping communities and businesses create jobs. To date, 72 percent of EDA's Recovery Act projects are underway, compared to 41 percent three months ago. These projects total $101.1 million, or 76 percent of our Recovery Act allocation. I am pleased to report that, to date, nearly all of our projects in our portfolio met anticipated construction start dates and other project implementation milestones.

In addition, with our regional offices, we developed specific outreach initiatives to assist our recipient partners meet the reporting requirements of the Recovery Act. At the end of the second reporting period, 100 percent of our Recovery Act grant recipients successfully met progress reporting requirements.

EDA's ability to successfully implement the Recovery Act should be no surprise to those familiar with the Agency. We have a long history of working with communities to provide effective technical assistance and capital investments through our traditional Economic Development Assistance Programs, as well as through budgetary supplementals such as disaster recovery initiatives.

EDA designs its programs to support job creation and strong regional economies. EDA particularly focuses on building upon two key economic drivers, innovation and regional collaboration. Many of EDA's traditional programs support these efforts. For example, the agency's Revolving Loan Fund provides much needed capital to help grow and create businesses, and EDA's University Center Program leverages local assets to support regional collaboration.

EDA's ability to obligate the Agency's entire Recovery Act allocation a year ahead of schedule exemplifies the flexibility of its programs and the continued dedication of EDA staff. In addition, our experience administrating the Recovery Act funds has given us a unique opportunity to evaluate the strengths and weaknesses of our programs and processes.

I am personally committed to making our grant application system work even better for future EDA applicants. Based in part on our experience with the Recovery Act, I launched a major process improvement initiative. We are analyzing how we can make our grant process even more transparent, accessible, and effective, while increasing the overall return on investment. We know that our grantees will welcome this kind of improvement, and we continually reach out to our stakeholders for feedback. We plan to roll out our improved process by the end of this year.

Mr. Chairman, EDA has a long and successful history working with you and this Committee. Though our Recovery Act allocation has been awarded, our work to improve the economic conditions in our Country is far from done. The Department of Commerce is looking forward to working with the Congress on reauthorization of EDA to develop an even stronger framework for sustainable economic development that meets the needs of the 21st century.

Chairman Oberstar and Members of the Committee, I want to thank you for your time today and look forward to any questions you might have.

Mr. OBERSTAR. Thank you for that excellent report. Some of the details which you did not cite, but I will just briefly at this moment. On page 4 of your testimony, the Northeastern Minnesota Regional Aviation Cluster is a significant example of EDA's sustained investment in an area that traditionally had high unemployment.

The city just north of Duluth, the iron ore mining country, lost 12,000 jobs when the steel industry crashed in 1982. We have rebounded, but we are still 4,000 jobs instead of 16,000. Duluth lost the steel mill, the Coke plant, the cement plant, the Coolerator plant. Each time they have come back with help from EDA.

And this aviation cluster cited on page 4 of your testimony, a driver of economic diversification, not only making aircraft, but an aerospace industry was started that supplies the frame of the seats and then the seat covers, and then the cushions, and then the cleaning of the aircraft, and then other aircraft precision-engineered parts, saving thousands of dollars for Cirrus, who have begun again to sell aircraft.

But the problem is not their customer base. Customers are available. Customers can't get credit from the banking system to buy the aircraft. That is not EDA'S problem, that is the seizure that this economy has been in since the financial meltdown.

Just a footnote to your testimony.

Now, Ms. Harman.

Ms. HARMAN. Thank you, Mr. Chairman. Chairman Oberstar and Congresswoman Capito, Members of the Committee, my name is Elizabeth Harman and I serve as FEMA's Assistant Administrator for the Grant Programs Directorate, also known as GPD. On behalf of Administrator Fugate, it is a privilege to appear before you today to update the Committee on FEMA's implementation of the Fire Station Construction Grant, or SCG, Program.

The Recovery Act provided $210 million to support the program's construction and renovation efforts. Funding under the program will enable fire departments to replace or renovate unsafe or uninhabitable fire stations. These investments in infrastructure will enable fire departments to better protect communities from fire-related hazards and help ensure firefighter safety.

On September 23rd, 2009, Secretary Napolitano announced the first group of SCG awards. A second group of awards was announced on February 3rd, 2010. To date, 109 awards totaling $189 million have been made. FEMA also expects to make additional grants within the next few months, including three awards totaling $11.9 million in the next two weeks.

An additional 2.29 percent of the initial $210 million appropriated has been retained by FEMA to cover management and administrative costs in accordance with the Recovery Act. The remaining $4 million in SCG funds are being held in reserve to cover any budget adjustments related to previously awarded grants. Once all current grants are reviewed and are determined to be adequately funded, all remaining funds are available for additional awards.

Since the passage of the Recovery Act in February 2009, GPD has worked to move projects forward in a timely manner. GPD has placed a high priority on the timely completion of all budget reviews, has worked with FEMA's OEHP to hasten environmental and historic preservation reviews, and has continually reached out to our grantees, including the provision of technical assistance, to help them in meeting these and other requirements they may face.

As of today, GPD can report the following: 109 awards have been made; 3 will be made in the next two weeks. The 109 current awards are funding 116 projects; 26 are ready to begin construction, 3 have begun construction, and 9 will start construction in July. Beyond these numbers, it must be remembered that these funds make tangible improvements in the health and safety of the firefighters who live and work in those fire stations and in the communities served by those fire stations.

SCG funding will result in enhancing emergency response capabilities, including 45 new fire stations will be built to meet expanded responsibilities. Forty-two unsafe fire stations will be replaced and 16 will be renovated. Ten stations will be expanded to accommodate 24/7 coverage and 6 will be expanded to accommodate increased responsibilities.

Mr. Chairman, the administration of the SCG program has not been without challenges. These challenges are inherent to the administration of any Federal grant program. Fire Station Construction Grant Program was the first time GPD was charged with the development and administration of a major construction grant program. This required not just the development of specific construction grant guidance and application materials, but also the development of policies, processes regarding environmental reviews and post-award budget reviews.

We believe that GPD has successfully met and continues to meet these challenges. FEMA released the SCG grant guidance and application materials May 29th, 2009, 91 days after the Recovery Act's enactment. These 91 days included the outreach efforts and meetings with the fire service on the program.

The program's application period closed July 10th, 2009. First grants were awarded September 23rd, 2009, 85 days after the close of the application period. These 85 days included GPD's convening and working with fire service staff peer review panels to assist in the application and review and selection of more than 6,000 applications.

Although challenges presented themselves in the pre-award period, most significant challenges have been in the post-award period, specifically post-award budget reviews and post-award EHP reviews. Each of these reviews are required by Federal law, entail adherence to a number of statutory required processes and procedures, and length the time between GPD's awarding of a grant and a recipient's ability to access those funds.

The budget review process determines whether grantees have properly explained and documented their funding requests, and ensures compliance with Federal laws, OMB costs and administrative principles, and the grantee's own requirements, including regulations and program guidance.

Currently, 90 grants have cleared their budget reviews and 19 are still in the process. The requirement for EHP reviews ensures that awarding agencies determines that funds are being spent in a manner consistent with Federal law governing the protection of the environment and historic structures and sites.

FEMA's EHP reviews are managed by FEMA's OEHP. This office ensures that all FEMA grants, including SCGs, meet the requirements of 16 principle Federal, EHP, and Executive orders. Currently, 34 projects have cleared EHP reviews while 82 are still in the review process. There have also been times when SCG projects have encountered locally driven issues, including local politics issues, project and spending approvals from city councils or county boards, and State and local procurement and contracting requirements, which grantees are required to address before spending funded projects can be initiated.

Mr. Chairman and Ranking Member Mica and Members of the Committee, I firmly believe that as we move further through the current fiscal year, the number of SCG projects that can begin construction will accelerate. GPD is working with our grantees to help them succeed, and we want them to succeed. As we move forward with this initiative, we look forward to providing this Committee with additional information on our progress.

This concludes my statement, and I am ready to answer any questions that you may have.

Mr. OBERSTAR. You have squeezed a lot of words into a short period. Barney Frank would be proud of you. You are the only one I know who can speak as fast as he does. Thank you.

Mr. Trimble, GAO. You are the cleanup batter here.

Mr. TRIMBLE. Exactly. Thank you.

Mr. OBERSTAR. At least for this panel.

Mr. TRIMBLE. Mr. Chairman, Ranking Member Capito, and Members of the Committee, I am pleased to be here today to discuss our work examining selected States' use of Recovery Act funds for clean water projects. My statement is based on GAO's most recent report on the Recovery Act being issued today, which includes a review of the Clean Water SRF programs in 14 States. These 14 States received approximately 50 percent of the $4 billion appropriated for the Clean Water SRF program.

The 14 States we reviewed met all Recovery Act requirements unique to the Clean Water SRF. Specifically, these States had all projects under contract by the one-year deadline and took steps to give priority to projects that were ready to proceed to construction. Eighty-seven percent of these Clean Water SRF projects were under construction by the one-year deadline. In addition, all of the States in our review met or exceeded the 50 percent additional subsidization requirement and the 20 percent green reserve requirement.

These States awarded nearly 80 percent of the funds as additional subsidization, primarily as principle forgiveness. About one-third of the projects addressed the green reserve requirement and almost all of these received additional subsidization. In total, the money helped fund 890 water projects, such as secondary and advanced treatment facilities, sanitary sewer overflow, and projects intended to address non-point source pollution.

State officials did face some challenges in meeting Recovery Act requirements, especially the one-year contracting deadline. Historically, awarding contracts in this program can take up to several years. The compressed time frame imposed by the Recovery Act, as well as the increase in number of applications, was challenging for some States. New Jersey, for example, received twice as many applications as in past years.

State programs also had to work with applicants to explain new Recovery Act requirements such as Buy American and Davis-Bacon, as well as to provide support to the nearly 50 percent of recipients that had never received an SRF loan before.

Additionally, when bids came in under projected estimates, some States had to scramble to ensure that all Recovery Act funds were under contract by the one-year deadline. While these lower bids created a management challenge for the States, it also allowed some States to award Recovery Act funds to additional projects. Texas, for example, told us that they were able to fund two additional clean water projects because costs were lower than anticipated.

Most of the States we reviewed took steps to target Recovery Act funds to low income communities, generally by considering a community's median household income when selecting projects. The States told us that at least 40 percent of Recovery Act funds, totaling about $787 million, went to projects that serve disadvantaged communities, and all of the recipients serving these communities were provided additional subsidization.

While EPA and the States have taken additional oversight steps to address Recovery Act requirements, these measures may not be sufficient. EPA has not established requirements for States regarding when or how frequently a project must be inspected, or what steps need to be taken to assess a sub-recipient's compliance with Recovery Act requirements.

While some States have increased the frequency of inspections, we identified completed projects and those near completion that had never been inspected. We also found that most of the States in the review had not developed procedures to verify the accuracy of job figures reported by sub-recipients by using supporting documentation such as certified payroll records.

The combination of a large increase in program funding, compressed time frames, and new Recovery Act requirements present a significant challenge to EPA'S current oversight approach. In light of this, we are recommending that EPA work with the States to implement specific oversight procedures to monitor and ensure sub-recipients' compliance with the provisions of the Recovery Act funded Clean Water SRF program.

Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions that you or other Members of the Committee might have.

Mr. OBERSTAR. As usual, a very thorough GAO report and one that adds considerably to our understanding of the program and also, I think, lessons learned for the future of the SRF program, which I will come to in a moment.

Mr. Schauer, did you have comments you wanted to make at the outset?

Mr. SCHAUER. Yes, a question for the panel. Are we open for questions?

Mr. OBERSTAR. Before we do that, I want to supplement the testimony given this morning. There are agencies not represented here under the jurisdiction of this Committee:

MARAD, Maritime Administration received $100 million in funding under the Recovery Act, and of those funds, work is underway on 66 of the planned projects. New construction of dry dock facilities, 13 such projects; steel machinery work, 23 such projects; cranes, forklifts, material handling, $21 million for 18 projects; shipyard infrastructure improvements, 6 projects for $6.5 million; training of maritime personnel, $6 million; boat hoists on public facilities, ports and docks, $5 million for four such; and port modernization for facilities managed by MARAD, 3 projects for $26 million. A good example is Steiner Shipyard in Bayou La Batre in Alabama, which has received funding for new launch equipment and a 400-ton boat hoist.

FAA has initiated or completed work on 663 airport projects totaling $1.2 billion, 94 percent of their funds. In fact, FAA and local airport authorities were so efficient in getting their funds out that I reported for a groundbreaking project, but by the time I got there it was a ribbon cutting; they had already completed the project in a relatively short period of time because they have advantageous contracting authority, do airport facilities.

Amtrak has replaced 130,000 concrete ties, restored 60 Amfleet cars to service, 21 Superliners, 15 locomotives, and invested in 270 stations to improve those operations.

Those all add up to jobs created, permanent benefits resulting, and a net benefit to the whole Country.

Mr. Schauer.

Mr. SCHAUER. Thank you, Mr. Chairman, for this opportunity.

I want to talk about the issue of American jobs. I represent the part of the State of Michigan with the highest unemployment rate in the Country of 14 percent, and I was very supportive of the Buy American provision that was in the American Recovery and Reinvestment Act.

First, Mr. Trimble, you touched on that in your testimony. Can you speak briefly to compliance across agencies with regard to Buy American provisions?

Mr. TRIMBLE. Yes. Well, my testimony today is limited to the SRF program, so I am not sure I can speak to the other agencies. In regard to the Buy America provisions, the States that we did our work in mentioned that it is a challenge, but one that they could meet. Where we saw issues or concerns was in the internal controls to ensure those requirements are met at the sub-recipient level. While the States were taking actions and the requirements were clear, our recommendation speaks to the need for a more uniform set of compliance tools to make sure that it is happening at the sub-recipient level.

For example, one project in Arizona that the team visited, the project was already under construction. They were visiting the project site, they were looking at a water meter. On the back of the water meter was stamped "Made in Mexico". When the team raised that, the State saw immediately the concern, took action, and actually went back and replaced about 100 or so meters that were in question.

On that issue, again, there is a commitment there to do the right thing. I think what we are speaking to is the need for more centralized requirements from EPA to the States on how they need to approach sub-recipient monitoring to ensure all of these requirements are met.

Mr. SCHAUER. Thank you.

Mr. Chairman, we need to make sure that each of these agencies is fully enforcing those Buy American provisions. I will be bringing to the Congress an issue that I am working with the DOE, Department of Energy on, a lighting contractor that manufactures a variety of industrial lighting and municipal projects, has lost a contract to another company that provided a lighting fixture that said "Made in America." They had applied that "Made in America" sticker over a sticker that said "Made in China." Those products actually came from China. The people I represent are very upset, as am I, about their tax dollars supporting jobs being created in China, rather than jobs here.

I have a question, Ms. Walsh, on that topic. My office has been working with the GSA to try to change the eligibility for photovoltaic roofing materials. We found that the eligibility requirement actually favors companies in China. There is a company in Michigan called Unisolar. They have testified before this Committee.

They have a technology that is very efficient, doesn't meet the GSA requirements.

So I want to put you on notice about that concern that I have, but actually ask you to address. In our Committee information it indicates that GSA has used its appropriation to install 78 roofs, including 68 photovoltaic arrays for roofs, and wondered if you can talk about those 6 photovoltaic arrays on these roofing projects and whether that was material from China or material from companies in the U.S.

Ms. WALSH. We anticipate that by the end of the recovery program there will be 68 PV roofs. I will have to get back to you on where the materials specifically came from on those projects.

Mr. SCHAUER. I would ask you to get back to me and get back to this Committee as a whole. Again, it is our intent that we are supporting and creating American jobs, and fully complying with Buy American provisions and making sure that eligibility requirements don't disadvantage U.S. companies.

Ms. WALSH. Yes, sir.

Mr. SCHAUER. Thank you, Mr. Chairman.

Mr. OBERSTAR. Submit that material to the full Committee and it will be distributed to Members on both sides.

Ms. WALSH. Yes, sir.

Mr. OBERSTAR. Mrs. Schmidt.

Mrs. SCHMIDT. Thank you, Mr. Chairman.

Mr. Salt, I apologize if you had this already in your testimony, but I have a rather lengthy question. Customs and Border Protection, along with the GSA and the Corps, plan to spend $7 million, originally obligated at $15.7 million in stimulus funds, to renovate the Morris Line Port of Entry, the border station on the U.S.-Canadian border in Vermont.

The border station, which sees 2.5 cars an hour, or about 40 cars a day, is located in the middle of a Vermont family's dairy farm, and the owners of the dairy farm were told by the CBP they must sell part of the farm for $39,500 or else the farm will be condemned.

First off, I question the value of that and I do hope that the right comps were used, and also factor in the fact that they will probably use the farm because this doesn't sound like enough money when you talk a family farm and you destroy it.

The family and a representative, I believe, will be here, does not want to sell and they believe they will go out of business if they lose the land. Can you explain the Corps' role in this situation and what is to be done to prevent this condemnation which, contrary to the stimulus, will actually put people out of work?

Would you please tell me what kind of comps you used to evaluate the $39,000 you are going to offer these people? And did you look at those comps in relationship to the fact that it will probably destroy the farm and put them out of business? Should the port of entry stay opened or closed? Is this specific property necessary, and how much property is actually necessary, and can you locate it somewhere else?

Sorry for the lengthy question.

Mr. OBERSTAR. Before the Secretary responds, that question is also going to be addressed by a witness from Vermont, the farmer on whose property, a portion of whose property this project is to be undertaken. I would note that the funds are stimulus monies. This issue obviously came to my attention as well as yours and Mr. Mica. It is stimulus funding through the Customs and Border Patrol, not under the jurisdiction of our Committee. The Corps is simply the leasing agent or the contracting agent, not the initiating agent; and I think that there is a serious problem here.

And we will hear in the next panel from the witness on this subject, but I think that there is a way. There is such a short distance between the property in question and the established border patrol station that Customs and Border Protection ought to expand the existing facility instead of taking property on a new one. I know that the Senator from Vermont and the House Member from Vermont are both very concerned about it.

Mr. Salt, if you have further observations on this at this point?

Mr. SALT. The one question that you asked was what is the Corps' involvement in this. The Customs and Border Protection Agency did ask the Corps, as other agencies have, to provide certain services, and the Corps is providing the real estate support for that project. But as to the requirements and all of the specifics of your question, I would refer those to the Customs and Border Protection Agency, as the Chairman suggested. It is their project and we are only providing real estate support to them.

Mr. OBERSTAR. The Corps is not the initiating agency on this project, but we are going to pursue this further in the next panel.

Mrs. SCHMIDT. Thank you, Mr. Chairman. And just as a question, so who decided what value they were going to give this dairy farmer? Who made the determination for the monetary consideration?

And I guess, Mr. Chairman, if I can digress.

Mr. OBERSTAR. Certainly.

Mrs. SCHMIDT. In my background, in my past life, I had to deal with eminent domain issues, and almost always I found, in my personal experience, they never gave the property owner their just due for the amount that the Government wanted to give. So I have kind of a prejudiced notion on the $39,000 just from my past. So this might be a legitimate amount; it may not be a legitimate amount. I don't know. I just want to know who set the value so I can ask the question how did they arrive at that value.

Mr. SALT. If I can get back to you on that.

Mrs. SCHMIDT. Thank you. Appreciate it.

Thank you, Mr. Chairman.

Mr. OBERSTAR. It is interesting that you have that experience in your resume. Did you have highway project experience as well?

Mrs. SCHMIDT. Mr. Chairman, I was a township trustee, so I dealt with it with the Ohio Department of Transportation and citizens of my township. And I was a township trustee for 11 years, so I had to advocate for my citizens on a fairly regular basis when we were doing some road widening projects in our township.

Mr. OBERSTAR. There were a number of such concerns in the early days of the interstate highway program, States being heavy-handed in dealing with property owners, the result of which was this Committee initiated and moved through to enactment the Uniform Relocation Act, which provides a very rigorous process by which property owners get fair treatment, fair compensation, and the opportunity, even if the highway does not directly take their property, but is close enough so that their business owner's business would be diverted, they have a right to just compensation, fair market value, and not have to proceed through court to be compensated. I would like to hear more about your experience at another time.

Mrs. SCHMIDT. We will talk later. Thank you.

Mr. OBERSTAR. Mr. Hare was here earliest, so I will go to him at this point.

Mr. HARE. Thank you, Mr. Chairman.

Mr. Salt, in your testimony you state that it is well known that the Corps has had a backlog of important infrastructure projects, many of these structures, including some that are over 50 years old. Just a question, then a comment. Well, I will do the question first.

To what extent has the Recovery Act addressed some of this backlog? In my district, from west central Illinois, we have seven locks, and you probably are aware that most of those are in very poor shape. And we are trying to figure out how we are going to be able to do that and fix some of these, because I went to one of the locks and the lock master asked me if I was left-handed or right-handed. I told him I was right-handed.

He said, well, I want you to hit this portion with your left hand, your left fist; and I did and a chunk of concrete the size of a football came off. These locks, it is not really a question of if they are going to fail; the question is when are they going to fail, because they are really in bad shape. And if they fail, we are going to have a serious problem.

So I guess I am putting a pitch and I realize you don't have all the money, but to what extent has this Recovery Act and the money that we gave to you folks addressed some of these aging infrastructure things you guys are in charge of?

Mr. SALT. The Recovery Act was enormously important for us, particularly with respect to our navigation infrastructure. I think we tend to focus on the new construction, but about half of our Recovery Act funds were for operations and maintenance, which was over $2 billion, and allowed us to address those needs throughout the Country.

As I said in my oral testimony, we were able to address 284 navigation projects, and over 300 flood risk reduction projects. Throughout the Country, both with respect to the Recovery Act and with respect to our general appropriations, these are becoming our biggest priority for safety issues and for the performance of the project. These are the priorities that we are focusing on.

Mr. HARE. Well, let me just say I agree with the Chairman and, for the record, the Corps does a tremendous job given the resources. We need to give you more so that what you do better than probably anybody is to be able to do more of, and at some point we are going to have to try to address this situation of how do we come up with the funds necessary to do this. But I just want to let you know for the record that I have had the opportunity to work with the Corps and they do wonderful things for people. So I just wanted you to know that.

Ms. Harman, I just had a question, if I could, for you. These recovery funds are meant to be used quickly and efficiently. What steps is FEMA taking to work with the local communities to encourage them to move towards construction? And the second part of that is how are you working with them to expedite the internal processes?

Ms. HARMAN. With regard to all of our grantees, we have done an enormous amount of work to help them through this process and understand what this process is. There were more than 6,000 applications, and there are 109 awardees, so the 109 is a fairly small amount compared to the 20,000 open grants that we actually manage each year.

So the nice part of that is that we do have a dedicated staff with that small number of grants that are able to provide technical assistance, particularly with the environmental historic process, which seems to be the long, laborious process required by Federal law for us to go through, but it is an eye-opening experience, I think, for the first responders that have applied for this money, and we are shovel-ready at the time of application. Some of them had engineering drawings, but as soon as they accepted that Federal dollar, they now have to go through the Federal environmental historic preservation section. So a lot of education, a lot of technical assistance going on.

With regard to that process of environmental historic preservation, we work closely with FEMA's Office of Environmental Historic Preservation. The only part we can really narrow, that I have control over, is the public comment period, which is normally 30 days. We reduced it to 15.

But aside from that, we have used the M&A money that we have to beef up contractors to sort of triage, geez, is this going to be a renovation project or is this going to be a full construction project? Renovation ones sort of get more categorical exclusions, which help get through the process a little quicker. Those that are pushed for full EAs, we have assistance from our FEMA regions to help us out with that. So the process is a long arduous process. If I could make it go any quicker, I could, but I think I would be breaking the law if I did.

Mr. HARE. We don't want you to do that.

Thank you, Mr. Chairman.

Ms. HARMAN. I don't want to do that.

Ms. NORTON. [Presiding] The gentleman's time has expired.

Mrs. Capito.

Mrs. CAPITO. Thank you, Madam Chair.

Ms. Walsh, I would like to ask you a question. You mentioned the work that you are doing on the Federal buildings and the green initiatives that you have moved forward with with the stimulus dollars. We have a courthouse in my hometown, Charleston, West Virginia, where some of that work is being done, I think it is $4.696 million.

And you mentioned also in your statement that you are looking at returns on investments. It is my understanding that solar panels are being put on the roof of that courthouse, and I would like to know what calculation on the return on the investment of the $4.696 million, what you calculate savings, energy savings will be for that particular building, or at least a building similar to that, and how you come to that calculation? When will it begin paying back?

Ms. WALSH. I am going to have to get back to you on the specific numbers that we are using for that project, for the calculations.

Mrs. CAPITO. When you are calculating the cost, is that a make or break figure for you, if you are going to get return on your investment or not, when you are deciding which buildings to place solar panels or green? Because that is not a very old building is one of the reasons I am interested in it.

Ms. WALSH. We need to look at the the return on investment, and look at it in the context of the whole project and the overall contribution to the building. But as far as the actual calculations, I am going to have to apologize, I don't know the specifics.

Mrs. CAPITO. That is OK. That is understandable.

Ms. WALSH. We will get back to the Committee with that information.

Mrs. CAPITO. In the general sense, do you make that part of your calculation, as to whether it actually is going to be an energy savings bottom line on that particular building when you are deciding to green the building? Are you making that as a calculation, that you are going to get a return on your investment? Is that a factor that is calculated in the decision to go forward?

Ms. WALSH. We do evaluate the estimated return on our investments. Also, we are developing a database to track and record all of the high performance energy elements that we are installing. Once these features are installed, constructed and operating, we plan to verify energy assumptions modeling.

Mrs. CAPITO. So basically it is a more look back rather than a look forward. You can't calculate that at this point?

Ms. WALSH. We do calculate expected performance based on energy modeling but until the building is operating and we see actual consumption, we dont know definitively.

Mrs. CAPITO. When you are soliciting bids for a building, a courthouse of that magnitude, have you shortened the time frame on that or what are you finding? Are you finding a lot of local contractors bidding on those projects? Not that one specifically. And are they able to meet the demands of a quick turnaround? Because I assume the work is being done quicker than maybe normally would be done under a GSA contract.

Ms. WALSH. We do all the recovery work in accordance with our procurement requirements.

Mrs. CAPITO. So you haven't changed that for this.

Ms. WALSH. Right. But we are expediting all of our project awards in terms of reducing as much time as possible before solicitations go out. And, once contracts are awarded, we are accelerating outlays by identifying disinct elements that can be performed, completed, and paid for, such as site and foundation work. And with the smaller projects we are seeing more local contractors involved in those projects.

Mrs. CAPITO. Let me ask you another question along the line of courthouses. The GAO report came out, I believe yesterday, and among one of their findings was that a lot of the courthouses that had been built over the last 10 years were basically overbuilt, to the tune of about you could have had nine more courthouses, too many courtrooms, not taking into consideration courtroom sharing. It was pretty critical and said the estimate cost to construct this extra space, when adjusted to 2010 dollars, this is from the GAO report, is approximately $835 million, and the annual cost to keep them rented and renovated and maintained is another $51 million.

Having said all that, why are we building new courthouses or adding to existing courthouses when this report shows that we have overbuilt in this particular area? What is your response to this report?

Ms. WALSH. I have not had an opportunity to review the report yet. In terms of the projects we selected, we chose projects that would enable us to put people back to work as quickly as possible and create jobs, as well as to transform our inventory into high performance green buildings. And in terms of the courthouses, those were projects that we could get going relatively quickly, and they were in the works.

Mrs. CAPITO. My time is up. Thank you.

Ms. NORTON. Thank you, Mrs. Capito. I particularly thank you for your question on courthouses. I am Chair of the Subcommittee and the full Committee, both sides, all four of us, the Subcommittee as well as the Chair and the Ranking Member, that requested that report. Those courthouses, I believe, were on the list to be done and could be done quickly.

But her question is a powerful question. Her numbers are exactly correct. Because the GSA, frankly, was not doing its oversight job and because the courts had apparently seized control of a Federal construction program, acting as if Article 3 judges were also in charge of construction. This was an overbuilt program. We are pulling it back from the judges. This is an age-old problem. I have only been on the Committee 20 years, and it has been out there hanging all this time until this GAO report had straightened it out.

To Mrs. Capito, whose question I appreciate, I want to say that the Subcommittee will not be recommending any new courthouses until such time as there has been a demonstration that all of this overbuilding and overspending—and I see my Ranking Member, who was as ardent in his questioning on this matter as I was.

There is no light between the minority and the majority on spending almost $1 billion in overbuilding courthouses, against the authorized amount of the Congress of the United States. I hate to say it, but in this instance the courts were lawless, and they are the ones who, of course, enforce the law and are supposed to abide by the law.

I want to just take my time to ask just a few questions.

Ms. Harman, I think, for good reason, Members have been concerned about the firehouse construction. There is broad support, again on both sides, for the firehouse program, and that is why we put money in there for firehouses. It does seem to me that this program was different from other fire grants and was different from other Recovery Act programs. For example, did these firehouses have to be peer reviewed by firefighters themselves?

Ms. HARMAN. Yes, they were. They followed the same peer review model that is used for the AFGE grants, as well as the SAFER grants. There was some screening done pre-going to the peer review panel because of the number, 6,000, but each award that was given and each application, for the most part, that went to peer review panel was reviewed by a minimum of three peer reviewers.

Ms. NORTON. Were there other ways in which these grants did not get going as soon as other grants did? And is it true that you only have five firehouse projects begun in construction?

Ms. HARMAN. There are currently three under construction.

Ms. NORTON. I mean, three. I am sorry.

Ms. HARMAN. Yes. Twenty-six are ready at any moment. All the EHPs are done, all the budget review is done. You know, we are getting through the budget review process, of course, the EHP process, but I don't think we anticipated the almost opposition, if I can, at the local level. I will give you an example from a fire chief.

Ms. NORTON. Opposition to?

Ms. HARMAN. To receiving the grant. It is an election year. I was on the phone with Chief Steward from Rolling Meadows, Illinois just last week. Our office here is doing a great job trying to say, hey, we gave you the award, could you please accept it? At the time of application there was one city council in place; at the time of award there was a new city council in place. The award was for $1 million. The city offered to also pony up $800,000, which was not necessary because there was no matching requirements. And it sort of became this battle between the fire chief pushing——

Ms. NORTON. What did they want to put $800,000 up for, then?

Ms. HARMAN. They actually thought, well, if we don't take the $1 million award, we are saving $800,000.

Ms. NORTON. Sorry? If we don't take it, because they thought it would only cost——

Ms. HARMAN. Right.

Ms. NORTON. Well, why didn't they then take it and ask that it be used for another purpose?

Ms. HARMAN. Well, they do have to build a fire station with it, but I think they had a grander scheme of the fire station. But our staff has done such a job of working with them. I actually have a letter from Chief Steward expressing his concern in the amount of work that has gone in to just getting on the agenda of the city council; being on the agenda, being taken off, waiting two months to get back on a city agenda just to say, hey, can we accept this award?

Our staff finally said, look, if you don't accept the award, we are going to go to the next person on the list. Can you help us out? How can we help you get the fire station that you have applied for and competed for and won?

And the fire chief is gung ho for it, so we put a time line on, and there was actually resistance from the city council saying, well, FEMA won't do that. You know, we got the award; they wouldn't put a restriction on it saying if we don't do it. Finally, our staff had to push even further. They have accepted the award but then, again, our fire chief had to get on the agenda for the city council just to contract——

Ms. NORTON. Well, Ms. Harman, I think we get it. But in a real sense, although more extreme, more drawn out, your predicament does illustrate what we go through in the States. The States don't operate at our command, even though they are very glad to get our money, and we do have to respect their processes. On the other hand, the Chairman has been real clear you can pass on. We are going to pass right over you if in fact you can't do it. But you can see Members are concerned about this matter.

Ms. HARMAN. Absolutely.

Ms. NORTON. I have a question for Mr. Fernandez.

Mr. Fernandez, the agency has lots of support on this panel, and one of the reasons it enjoys this support is that EDA has been in the forefront of investing in incubators. We note that although the EDA'S reauthorization proposal has a loan guarantee and grant program focused on science and research parks, there appear to be no incubators among your stimulus projects. Why is that?

Mr. FERNANDEZ. Actually, I believe there were 13 projects that supported incubation, 4 specific——

Ms. NORTON. I am talking about, of course, in your stimulus——

Mr. FERNANDEZ. In the Recovery Act.

Ms. NORTON. Yes.

Mr. FERNANDEZ. And that included I know in Scottsburg, Indiana, we funded a technology incubator.

Ms. NORTON. With stimulus funds?

Mr. FERNANDEZ. Yes. It was a $4.3 million investment for manufacturing technology incubation. I believe there were three other incubators. I could get you a specific list of the actual incubator projects, if you would like that.

Ms. NORTON. I may have this backwards. You do have them in your stimulus or ARRA funding, but not in your reauthorization. And why is that?

Mr. FERNANDEZ. I don't have the language in front of me. I know there is some additional language in what we had proposed to the Congress to bring some clarity on incubation. I believe the rationale is that we already have tremendous authority and flexibility within our Public Works program, as well as our Economic Adjustment Assistance program to invest in incubators, and, as you know, we have invested in a number of incubators over the years, so we certainly don't——

Ms. NORTON. So you are saying that incubators would in fact be part of your existing programs? So you don't propose not to go ahead with the incubator program?

Mr. FERNANDEZ. Correct. And, again, I apologize, I can't remember off the top of my head. I think there is some language that we suggested to give us even some flexibility on some operating support for EDA-funded incubation to ensure that they are even stronger and more successful.

Ms. NORTON. Mr. Fernandez, I just want to bring to the attention of the full Committee something that we understand you are going to be doing and that is, in its own way, akin to our own process that we pass the money on to someone else if you don't in fact use it rapidly. As I understand it, you are going to proceed to use a process that has proved very effective in the Delta Regional——

Mr. FERNANDEZ. Regional Commission.

Ms. NORTON.—Commission. I am sorry, the Delta Regional Commission. And that is a kind of clawback. And, again, to the full Committee, this is the first time I have ever seen this done effectively, but if the private entity does not produce the jobs it has indicated it will produce, then the Delta Commission has a kind of payback. Of course, contingencies are allowed because there can be reasons why a project does not produce jobs. And, of course, there is some negotiation.

But by having in place this clawback, that you have to give back some of the money, in fact, the Delta Commission, who testified before us, was able to show that this has been a very effective way to get people to be up-front and clear about promising and not over-promising. You indicated you would be spreading that, and I would like to know when and how.

Mr. FERNANDEZ. Yes. As you and I have discussed this, we are interested in how the Delta Commission administers their clawback. There are some complexities that are a little bit different for our agency in terms of the intermediaries that we invest in or co-invest in have much more direct control over the ultimate job creator that is built around a particular investment.

So there is some complexity, but we are very interested in looking at how we can embed those types of provisions. We do have authority today and a tremendous amount of ability to hold folks accountable for the investments of taxpayer dollars already, and where there are cases where they are not moving forward with projects as agreed to, we have the ability to recapture those dollars under existing authority.

The clawback provision, I think, the other way to look at it, as well, as part of this process improvement initiative that I mentioned in my testimony. I think we have to look at what we are doing at the front end as well, so the depth of due diligence that we engage in as part of an application process should be really very vigorous so that, in fact, we are ensuring success of the investments at the front end. But if folks don't meet their obligation, they certainly should be held accountable.

Ms. NORTON. Yes. And people at the front end will negotiate very carefully about what they promise and will tend to over-promise less.

Ms. Walsh, I won't ask you for answers to these questions, but I would like to have the answers to these questions within the next 14 days. You have testified that the largest project ever attempted by the GSA and the largest since the Pentagon is underway here under the jurisdiction of the GSA and is underway here in the District of Columbia.

I do have reports on a biweekly basis on how many jobs are being created. There has been an apprenticeship program, and these funds, I understand, have been fully allocated, and I commend GSA on that; allocated throughout the Country. And because this project is so big and because there are 15 other projects in the District of Columbia, again, because it is the seat of government and there are many government buildings here, these projects are now underway using apprentices and pre-apprentices.

We would like to have some idea of how many apprentices, just let's say apprentices, and that includes pre-apprentices, of course, and perhaps they should be disaggregated, because pre-apprentices are people who are less trained, they don't have the full apprentice status.

Since this money is out there and people will expect that since we put money out there, that they will in fact be hired, how many apprentices are contemplated to actually get positions in jobs in the jurisdictions where you have awarded the money? How many would you calculate? I understand that there could be differences. How many apprentices will be hired? How many pre-apprentices will be hired? The $3 million in money out there for distribution to a number of districts of this money.

We don't want to leave people thinking that everybody who thinks of himself as a pre-apprentice or apprentice is going to find a job in some kind of Federal program, and the only way to do that is to be up front with people about the number of jobs that are anticipated. And I wish you would get back to me with that.

And I am very interested in the 15 projects in the District of Columbia. These are the big green projects here, where you have old Federal buildings that nobody has looked at probably since they were put up during the New Deal, when Franklin Delano Roosevelt did precisely what we are doing. He said this is the time to build the infrastructure for the Federal Government.

So if you look down on Constitution Avenue and Pennsylvania Avenue, you will see 1930-some dates on all those buildings. You are doing massive changes in some of those buildings, and the kinds of changes that we need most because they are going to save us money in air conditioning and heating and other energy conservation.

Would you, within two weeks, get to the Chair and to me a status report on the status of all 15 projects in the District of Columbia; where they are located, at what stage of construction they are; how many jobs? I won't get to apprentices there, I am interested in how many jobs have been provided in what specific categories and how many jobs are contemplated to be provided in this bunch of buildings located in the Nation's capital?

Thank you'very much.

Ms. WALSH. Yes, ma'am, we will get back to you.

Ms. NORTON. Next, Mr. Cao. Do you have any questions, Mr. Cao?

Mr. CAO. I do, Madam Chair, and thank you'very much.

Madam Chair, you know, you and I, for the past year and a half, we have been very frustrated with Federal agencies in regards to the rebuilding of New Orleans, and obviously one of the agencies that we were frustrated with was the Army Corps of Engineers. And again we are dealing with an emergency in the Gulf, and it seems to me that the bureaucracy that is so inherent in the structure of the Army Corps is impeding their ability to make very quick decisions.

On May 11th of this year, the governor of Louisiana requested an emergency authorization to construct a sand barrier along our Barrier Islands to provide a critical structure that will block the flow of oil into our sensitive waters and estuaries. And it has been over two weeks and the Army Corps of Engineers has not provided a decision with respect to the permit, and one of the reasons that they gave was they had to do an environmental study.

Now, if I were a layperson looking at the Gulf of Mexico and the oil is floating in, it seems to me that the impact from the oil, the oil threatens to destroy the way of life, the marshes, the estuaries in the Gulf, why are we spending time to do an environmental impact study, when the oil threatens to destroy everything? So it seems to me that the bureaucracy of the Army Corps of Engineers is impeding their ability to make very common sense decisions.

So my question to you, Secretary Salt, is what is the delay? I really don't understand.

Mr. SALT. In light of the current circumstances, the Corps is using its emergency authorities and is using its emergency protocols to consider the request of the Governor. I think you are correct that the Governor first put forward his proposal on the 11th of May. Just last Friday, though, the State amended its request and asked us to focus on a different, smaller set of sand berms. The Corps is proceeding with its analysis on that and expects a decision——

Mr. CAO. But it seems to me that the longer we delay, even a day, two days, three days, can lead to very devastating effects to the Gulf Coast region, especially to the marshes and to the estuaries. How hard is it to make a decision with respect to allowing the berms to be built or not? It seems to me that any environmental impact that comes from the construction of this berm can be addressed at a later date. The priority now is to build it to keep the oil out. And the answer to the question is either a yes or a no. And I don't know why it takes a week to make a decision. I can make one right now.

Mr. SALT. This is probably the wrong forum to discuss that question. I would just say that it has been my experience, and in my understanding in this case, that the Corps has been processing this most recent permit request very quickly. Picking up on your point, under the Corps' protocols, the environmental assessments it is doing are what I would call screening assessments, and answering the questions like what are the protocols if there is oil in the sand and——

Mr. CAO. If I can inquire further, I believe the President has declared a state of emergency to the fishing industry. Wouldn't that state of emergency allow the Corps to waive some of these protocols to make very expedient decisions?

Mr. SALT. Sir, they do. They don't waive their protocols, but they have a modified set of protocols that allows them to make an emergency decision that then is followed with a more formal process that begins in 30 days. And again, the permit application that the Corps is now considering was received on Friday by the Corps. It is now in the final stages of the decision process and I expect a decision very shortly.

Mr. CAO. Madam Chair, again, it just deals with this very frustrating bureaucracy that we have to deal with through the Army Corps of Engineers, and I believe that we have to find ways in order to streamline their decision making to allow them to provide us with very quick decisions in case of emergencies in the future.

And this is a question to the panel. Are there any resources unallocated from the Recovery Act that we can somehow redirect to help the Gulf regions to address the oil spill?

Mr. HOOKS. As far as EPA'S resources are concerned, 100 percent of our resources have already been obligated. We actually don't have any additional resources.

Mr. CAO. Mr. Salt?

Mr. SALT. I would say right now I am not aware of any requirements that are unfunded. I think we are proceeding with general revenues to do the work. You mentioned the permitting issue. Right now, our primary involvement is to expedite the permitting along the lines of your questions earlier.

Mr. CAO. Ms. Walsh?

Ms. WALSH. We have allocated all of our funds, sir.

Mr. CAO. Basically, that is the same answer from everyone?

Mr. FERNANDEZ. No.

Mr. CAO. OK, good.

Mr. FERNANDEZ. I have a slightly different answer. We are, as you know, Congressman, we have deployed staff from our regional offices out of Austin, as well as Atlanta, to provide technical assistance and begin coordinating with the coastal community leadership.

We believe we have some minimal modest amount of funds that may be available to help out of existing fiscal year. But we are talking a few hundred thousand dollars, not millions, so it is a modest amount. But, as you know, the President has proposed a $5 million supplemental appropriation for EDA to become much more engaged in the recovery efforts, and we hope that the Congress will act on that request.

Mr. CAO. Thank you'very much.

I yield back.

Ms. NORTON. The gentleman is in overtime and there is going to be a bell soon. I will try to get as many Members as possible.

Mr. Johnson.

Oh, excuse me, Mr. Fernandez, I understand that you have to leave to go to NASA in Florida. You are excused.

Mr. Johnson?

Mr. JOHNSON. Thank you, Madam Chair. And, Madam Chair, with all due respect, I would be remiss as Chair of the Judiciary Committee's Subcommittee on Courts and Competition Policy, were I not to speak out to voice my disagreement with the conclusory allegations against our Judicial Branch of Government with respect to courthouse construction projects, the recent courthouse construction projects.

Preliminary findings by GAO have been disputed by GSA, which has primary authority in this area, about the cost of overbuilding to the tune of about $600 million. It is alleged in the GAO report 800 and some odd million dollars was misspent for overbuilding that was not authorized by the Congress. GSA disputes that to the tune of about $200 million that they would admit to. Of course, $200 million is a lot of money Eight hundred million is a lot more.

And there were some reasonable explanations given for the increased expenditures, along with an agreement that, in the future, any overruns, if you will, will be, if they are 10 percent or more of the price which Congress approved, then the GSA would come back to Congress for authority.

And again I want to emphasize that the Judicial Branch participated with the GSA insofar as their projected need for additional courthouse space based on judgeships that were recommended by the Judicial Conference, which ended up not being approved by Congress, and those judgeships were approved and courthouse construction done, these estimates done in excess of 10 years ago. So I think there are a number of reasons for these overruns, but they are not certainly attributable to Judicial Branch misconduct.

But I do have a couple of questions. I have one city in my district. The name of that city is Pine Lake. It is the suburbs of Atlanta, Georgia. That project that the city has spent money on, it is a Clean Water Revolving Fund project. The project was shovel-ready, it was under contract by the deadlines, but yet the State of Georgia refused to fund the project.

What I would like to know is what is the decision-making process insofar as State recommendations and local readiness? What kind of discretion does the State have and is it such discretion that would allow a project to not be funded for reasons other than the merits of the project itself?

Mr. HOOKS. In terms of the Clean Water SRF program, the State almost has 100 percent discretion in terms of what projects they actually select. Before the State ultimately makes their decisions, we do have an opportunity to evaluate what is termed their intended use plan, what is the description of the types of projects that they intend to fund on an annual basis. But once we approve that plan, at that point in time it is the State's determination on which projects will ultimately be funded.

Mr. JOHNSON. Thank you.

And for all of the panelists, I would like for you to respond. I sent a letter on April 21st to the U.S. Department of Transportation, which was signed by 15 other Members of Congress, expressing concern over disadvantaged business participation in Recovery Act programs or projects. This letter was the result of media reports indicating that as little as two and as much as six percent of Recovery Act funds spent by the State Departments of Transportation went to disadvantaged businesses. I think we would all agree that these numbers are disturbingly low.

Now, I know that DOT is not here today; however, I would like to ask the panel how your agencies have awarded contracts and if you can provide details on disadvantaged businesses' participation in your contracts.

Mr. HOOKS. Mr. Congressman, I can speak primarily to the contract funds that we obligated under stimulus, which was primarily in our Superfund program. The majority of our money under the Clean Water and Drinking Water SRF programs, $6 billion out of the $7.2 we received went out in the form of grants.

But in terms of our contracts, for our small disadvantaged businesses, we have a goal of 10.5 percent. We are at 12.4 percent. For our 8A firms, we are at 5.4 percent; our women-owned businesses, 1.7 percent; Hub Zone, 2.6 percent; and our service disabled vets, 11.2 percent. So our small business goals were at 56.5 percent overall. I think we have done a pretty good job in terms of Superfund. But, again, as I said earlier, we don't have the ability to direct the subgrants for our SRF programs.

Mr. JOHNSON. Thank you, Mr. Hooks.

Ms. NORTON. The gentleman's time has expired. You are two minutes over your time, Mr. Johnson.

Mr. JOHNSON. Thank you, Madam Chair.

Ms. NORTON. Mr. Johnson, I am pleased to award you the time and understand your concern in the first part of your remarks with the GSA report. I just want to say again that our concern is with overspending no matter who overspends.

But I am sure GSA and the courts will be pleased that there is at least one defender to the definitive GAO report showing $1 billion in overspending by the courts, especially in light of the fact there is 9.9 percent unemployment in this Country today, and a lot of us would rather have seen that money go into jobs and economic development where there is not overspending.

I am compelled to make that point, since even the GSA was not willing to defend a great deal of the overspending. It had to defend its part of the overspending. And even the courts conceded that there had been overspending. I did not want to, in fact, offer an apologia for what amounted to lawless overspending because the overspending was of the authorized amount that the Congress of the United States had voted, and the last people who ought to be disobeying the law are judges or the judiciary.

Mr. Diaz-Balart.

Mr. DIAZ-BALART. Thank you'very much, Madam Chairwoman. I want to just first emphasize, as you said before, that there is no light between us, that you and I, and I would the Committee and clearly your Subcommittee, is totally united on these issues, and I want to thank you for your leadership there.

Two questions to Ms. Walsh, if I may. GSA owns and constructs a number of border stations. I am trying to find out if GSA is exercising its independent judgment and expertise, and I am going to throw out one specific issue, for example. Does it make sense to have an eight-lane border station, is that appropriate, eight lanes, for a crossing that sees less than 40 cars per day? If you were looking at it and you had a crossing that had less than 40 cars a day, would your standard be eight lanes?

Ms. WALSH. We work with DHS to determine the requirements for each land port of entry.

Mr. DIAZ-BALART. I know, but I am asking is eight lanes for 40 cars? Under any standards, that sounds like government out of control. Eight lanes, does it make sense? Is that the kind of standard that you would usually use for the ones that you own and run and construct, eight lanes for less than 40 cars, for a station that handles less than 40 cars a day? Does that make any sense to you? Or, speaking of overbuilding, is that not classic overbuilding?

Ms. WALSH. I am not sure which project you are referring to, and I would have to defer to the requirements that we work out with our customer agency.

Mr. DIAZ-BALART. Well, my understanding is that there is a border crossing in Vermont that has, again, less than 40 crossings per day, and it is foreseen to be built as an eight lane border station. And, again, since among the things we are talking about is overbuilding and wasting money in overbuilding, it seems to me that

I don't know how you justify eight lanes with less than 40 cars a day.

Now, you have other border stations already that you run. If you have a border station that has six lanes and it has less than 40 cars, do you suggest that it go to eight lanes, or is that excessive?

Ms. WALSH. We do build also to accommodate future requirements. But in terms of the specific border stations, I would have to go back and check and get the Committee the information on the number of lanes and whatnot at the various border stations.

Mr. DIAZ-BALART. All right. And the other part of my question, though, is if there is something planned by the stimulus, do you have the ability to exercise your judgment as to what makes sense, is it eight lanes, is it six lanes, or do you just have to go forward with it and build it, regardless of what the need may actually be?

Ms. WALSH. I didn't hear the last part of your question.

Mr. DIAZ-BALART. Or do you just go forward with it because that is what is in the bill, regardless of what the actual need may be?

Ms. WALSH. I think we discuss the requirements at length with our customer to make sure that they make sense. We would be happy to set up a meeting with you to discuss this issue, if you would like.

Mr. DIAZ-BALART. Great. I would like to. I would like to find out because, again, what we are trying to do is avoid, obviously, unnecessary expenditures.

Ms. WALSH. Absolutely.

Mr. DIAZ-BALART. On the same vein going now back to the courthouses, I know that it has already been discussed a little bit, but we had a hearing, the Chairwoman had a hearing yesterday, I believe it was yesterday, on this very issue, where one of the things that came out and that there was no debate on was that the standards as to what the needs for future courthouses would be is frankly just plain wrong. It is not working. I mean, that was agreed to by everybody.

And yet the courthouses in the stimulus that are going to be built are there because they were using these, frankly, erroneous standards. So we know that the need may not be there, and I think there is absolute agreement to the fact that those standards that were used to determine what the needs were were dead wrong, and I mean dead wrong and that we have been overbuilding because of that.

That is what standard, unfortunately, was used for these courthouses in the stimulus bill, and yet are we still going to move forward? Is the Administration still going to move forward, even though now we know, because we have the reports, now we know—maybe six months ago we didn't, but now we know that those numbers are wrong, are dead wrong, they are way overinflated. We may not need those. We know that is the case. We have the reports that say that those are wrong.

And yet is the intention going to be to continue to spend money, knowing ahead of time that that money may be, wrongly spent because the standards that were used to determine that those courthouses were needed were wrong? Again, we know that they were wrong now. We didn't know, maybe, particularly when the bill was done, but we do know now, so what are we going not do about it? What is the Administration going to do about that?

Ms. WALSH. We are proceeding with our four new courthouse projects. I will have to go back and review which standards are being applied; off th top of my head I don't know.

Mr. DIAZ-BALART. Well, we do.

Ms. WALSH. I can't confirm that they are overbuilding.

Mr. DIAZ-BALART. Well, here is the issue that we do know. We do know. I am pretty sure that the standards that were used were the standards that we know now are wrong. So I just want to make it very clear that if the Administration moves forward on building those courthouses, it is very important that it is public, that there is no secret that the standards that were used in order to determine the need are wrong. We know that they are wrong now; we have the reports.

So if one moves forward and spends those, and I believe it is several hundred millions dollars, knowing ahead of time that those numbers that were used were wrong, we are then purposely knowingly moving forward on, frankly, wasteful projects.

So I would suggest very respectfully that you get back to us and you determine what are you going to do to make sure that we are not moving forward on projects that we now already know are, frankly, not needed or clearly overbuilt, because, otherwise, to make it very clear, we would be moving forward, the Administration would be moving forward knowing that we would be spending several hundred million dollars, whatever the actual amount is, when most of it or part of it may not be needed, and that would be a gross misuse of taxpayers' money. So please get back to us on that, if you would.

Ms. WALSH. Yes. I will get back to you on that.

Mr. DIAZ-BALART. Thank you, Madam Chairman.

Ms. NORTON. So ordered.

Ms. Walsh, we recognize that you may not have the answers to all of the questions, but the gentleman raises a fair question, so we ask you, within 14 days, to get to the Chairman, who will share the information with the Ranking Member of the Subcommittee so that we can determine whether this is the case and, if so, what the Administration is doing about it.

Have you not been heard? I am sorry. I was about to recess the hearing.

Mrs. SCHMIDT. I just wanted to follow up on a question that I asked earlier.

Ms. NORTON. I was supposed to leave here——

Mrs. SCHMIDT. It is very quick. It will be very quick. It is regarding the border patrol in Vermont. And I am very confused as to who is in charge of the design; who is in charge of the location; who is in charge of the price that they are going to give to the farmer; how did all of that come about.

So I am asking the entire panel if you would please get back to me within 14 days and let me know how you arrived at the price, how you arrived at the location, how you arrived at the design, how you arrived at the cost of the design, and who ultimately is the decision maker in this. And that is all I want.

So I am going to ask each and every panel member if you could please get back to me with it so that I have a clear understanding. I have been told that the Army Corps of Engineers is the one that is handling this and would have the responsibility, but now I am being told that they are not. So if everybody on the Committee could get back to me on this particular project and what their role is and ultimately who decided where it is going to go, who decided the design of it, who designed the intensity regarding the 40 cars that go there every day, the price tag, how you arrived at the figure for the farmer, and what kind of tactics and mechanisms you used so that the farmer knew that he was getting a fair and just treatment. Thank you.

Ms. NORTON. The Chair notes that many of those questions go to an agency that I believe is not here, and that is the Department of Homeland Security. But I will ask that we attempt to get answers to the gentlelady's questions.

The Chair was called away, which is why you have had recurring Chairs. We are going to dismiss this panel and recess the hearing until the Chair returns. We will have a second panel. I promise you the Chairman is very clear that the second panel is very important to this hearing. But this hearing is recessed until the call of the Chair or his designate.

[Recess.]

Mr. OBERSTAR. The Committee on Transportation and Infrastructure will resume its sitting, with apologies to our second panel for the delay. Unfortunately, other Committee business has intervened, and Wednesdays, as Counsel on the Republican side was saying, is our busiest day, and it is. Every Member is torn in three different directions, and that is what happened here.

By way of explanation, I had a meeting of the National Transportation Safety Advocates organization, who are acknowledging Members of the House and Senate for their work in support of highway safety. It is something that I have given a great deal of my time to over the years I have served here, and I was privileged to receive their award. But you can't just walk in and say thanks and leave. You do have to say a few things, which I did.

We will begin with Mr. Rainville, introduced by our distinguished colleague from the State of Vermont, Mr. Welch.

Mr. WELCH. Thank you'very much, Mr. Chairman.

I am grateful to you and to Ranking Member Mica for inviting a real Vermonter to have a chance to speak to you. You are going to hear from Brian Rainville. He lives on a family farm, three generations. It is right on the Canadian border and he is going to tell you how a project is impacting his farm.

But the primary goals of the American Recovery and Reinvestment Act are to create quality jobs for Americans and revive our economy. But equally important, we want that money to invest in recovery that has lasting benefit, without doing damage along the way. Not every project falls into that category, and I think this Committee is demonstrating that it is open to listening and learning when a recovery project may have some questionable impact.

So I want to thank you and the Committee on both sides of the aisle for inviting a Vermonter here, Brian Rainville, to share his story of how this project will impact his family, his family farm and our community.

Thank you'very much, Mr. Chairman.

Mr. OBERSTAR. We want to hear the good news. We also want to hear those things that didn't go so well or that just didn't work out at all. That is the purpose of having hearings. As I said, this is the 19th in our series of oversight and accountability transparency hearings, during which we have heard the difficulties that EPA had early going in implementing its portion because there were some quirks in the law that made it difficult for them, and many other such circumstances. And they are all lessons for the future as we go through our authorization bill and the other legislation under the jurisdiction of this Committee.

So Mr. Rainville, welcome. You have our full attention.

TESTIMONY OF BRIAN RAINVILLE, HIGH SCHOOL TEACHER AND SON OF DAIRY FARMERS; PETE BOWE, PRESIDENT, ELLICOTT DREDGES, LLC; TIM BURKETT, CHIEF OPERATIONS OFFICER, BIOHABITATS, INC.; AND KEVIN WELCH, SENIOR PROJECT MANAGER, PCL CONSTRUCTION SERVICES, INC., REPRESENTING THE U.S. GREEN BUILDING COUNCIL

Mr. RAINVILLE. Thank you. It is a pretty amazing opportunity today for a child and grandchild and great-grandchild of dairy farmers to be here.

I live at Morses Line, which has three houses and one border port. And we have run into a little problem. Instead of looking at need, we have an agency focusing on want. What they want to do is spend money. What they need to do is leave us alone.

In 1983, they identified the port at Morses Line for closure. They said the traffic volume is low. The geographical proximity to other ports, 10 miles west there is one; 10 miles east there is another. There is a duplication of services.

Somehow, Morses Line became a critical port facility in lieu of the stimulus bill. We are a little confused. We have a traffic rate of 2.5 cars an hour. It is closed for eight hours of every day. At midnight, the gate is put down, the sensors are turned on, and the hard-working men and women of the Border Patrol go to work.

So we are trying to figure out why this agency is using eminent domain as a battering ram to work its way onto our farm. And the only conclusion that we can draw is that if they don't spend the money by the 30th of September, they lose it. In testimony this morning, I heard from someone sitting I think at this very microphone and said, well, that is our protocol. I am sorry, this is my parents livelihood. And I believe that carries more weight. I believe stimulus funds should be administered in the same way that medicine is practiced: First do no harm.

Our community was not consulted. We asked for a public meeting and we were told that the agency was reaching out to the Morses Line community by which they meant my parents, my brothers and I sitting around our kitchen table. A public hearing was finally held last Saturday and I was thankful tar and feathers were nowhere in the room because had they been available, 18 th century methods would have been applied to well-meaning people who were trying to do their jobs.

But they never took the step back and asked a fundamental question: What does Morses Line need? And a facility designed in 1936 for a different time and place isn't necessarily relevant in 2010. My family asked representatives very early on: How are you justifying this project? And they said: We have the money.

I have never heard that argument before. I spent 10 years planning the renovation of my farmhouse. My brother worked for two years to plan a 20-foot addition to our sugar house. We had a group of people who came in and told us they were going to do a 12-month feasibility study and we found out four months later that they had designed and were putting to bid a $15.4 million facility. Again, the gap is there. What do they need versus what do they want?

My family said clearly this is vital crop land. Their environmental assessment said this is a vacant lot. Rather than weigh the loss against our farm, they compared all our acreage to all the acreage in Franklin County. They talk in the environmental report about the most affected businesses. They talk about the Dollar Store and Stairs Unlimited. Those aren't even in our community.

At Saturday's public meeting, a young woman stood up and said, I don't understand your report because you drew a conclusion and then you twisted your data to get there. Retired Customs officers who because they are now collecting pensions instead of wages and have an opportunity to speak about this very project stood up and called their own agency on the carpet and said, we know you wanted to close this in 1983. We know your moratorium report from last fall identifies precisely this type of port for closure, but the project moves on, so much so that a mere 12 days or so remain to a 60-day period in which Customs and Border Protection told my family that if we didn't sell our property voluntarily, they would take it.

As someone who has taught civics for the last 16 years and explained to my students that this is a responsive government, a government that cares about rights, a government that protects property, I have had increasing difficulty trying to explain to well-meaning people who want to spend money why they should leave my family alone.

We have a National Register property. It is a Dairy of Distinction. In 1981, this Congress wrote legislation forbidding Federal agencies to unnecessarily convert prime agricultural soils. But there is money to be spent and the project moves forward.

I find myself every time I see Representatives using smaller words and shorter sentences to make the same point, and I run out of patience. And I ask this Committee today to reprimand that agency. There is no public good at Morses Line. There is no reason to spend money at Morses Line when they know that a gate and sensors and the Border Patrol keep this Nation safe. And to have veiled this project under economic stimulus and eminent domain and national security is reprehensible in a democratic Nation.

I am incredibly thankful to the Vermont Congressional delegation which asked questions consistently and got us answers, and secured a public meeting just last Saturday. But I am out of patience with an agency that refused to give us the traffic count. My father asked at the first meeting: How many vehicles come through Morses Line in a year? And they told us we will find out and we will get back to you.

And we asked and we asked again and we asked again. We shouldn't have had to file a Freedom of Information request to get that information. If this was a necessary project, the agency would have voluntarily given us that. And the mere fact that I am the only person talking about this project in front of a microphone tells me this agency knows they have done wrong. They owe this Committee an apology for the misuse of stimulus funds. They owe my family an apology for the manner in which they have treated us. They didn't give us the environmental report. We found out after it had been available for eight days and we were already in a 30 day public comment period.

And just last Saturday, they walked into our town hall where local government representatives have been asked hard questions for more than 100 years, and they tried the same dog and pony show. And when their laptop crashed, taking down their presentation explaining that this new facility would make us all safer and they had superior technology, I had to believe that karma was at work.

I am out of patience with an agency that says a public need is to spend money. We accommodated a hydro line, major transmission line into the State of Vermont because it was for the public good. We accommodated reconstruction of Route 235 because it was for the public good. The public good is not the spending of stimulus monies.

Mr. OBERSTAR. Thank you for your heartfelt, impassioned testimony. I would observe, however, your last paragraph saying I return to Vermont with hopes of once again being a teacher, rather than a lesson. I think you go back being both.

Mr. RAINVILLE. Thank you.

Mr. OBERSTAR. There is a provision of the Constitution which I refer to quite regularly, and that is the right of the citizens to petition their government for redress of grievances. That is the lesson.

And the sequel to the lesson is that I think we will be able to stop this. I will send to Secretary Napolitano this portion of the transcript of the hearing, with a recommendation that the project be withdrawn; that the funds be deflected to some other beneficial pursuit; and reference the participation of Congressman Welch, who may join me in the letter if he wishes, but I will most certainly send that letter and make very strong representations to Secretary Napolitano.

I will further say that I noticed your observation of a mere 80 cows. That used to be a pretty good-size milking herd, at least in my District. We had 80 cows fresh and another 80 or 100 waiting.

What is your pounds per cow over a year? What are you milking, Jerseys? Guernseys?

Mr. RAINVILLE. It is a Holstein herd.

Mr. OBERSTAR. Holstein.

Mr. RAINVILLE. Yes, and we are hanging on. We have exactly the kind of numbers you are talking about. But I have really been frustrated that folks from my own Federal Government have walked in and told my parents that they have extra property they don't need.

Mr. OBERSTAR. Those are the people and yours are the family values that we proclaim in this Country and that we want to preserve. I have seen the same number decline of family farms in the southern tier of my district as exurbia has extended its rapacious hand north. And dairy farms and roll crop farms, instead of pushing up soybeans and corn are pushing up pansies, daisies and houses and lawns.

Customs and Border Patrol used to be a very friendly, cooperative agency until it was assumed into the Department of Homeland Security, which I voted against. I didn't think we needed anything. I said it will grow into a monster. It has. It started collecting at a number of Federal Government agencies that were doing just fine on their own, into one big family. And once you do that, things become bigger. They started with 134,000, now they are up to 215,000 or 220,000 employees in this department.

We have just approved funding for renovation of a facility for their headquarters, St. Elizabeth's Hospital, which I recommended to President Bush. I said it is the former home for the mentally disabled. This is a crazy idea. I think it needs to go there.

But I will just add to your observation. I was up in Cook County, northeastern part of my District, a couple of years ago and met with the county sheriff to see how things are going on the border with Canada. We have the Pigeon River. He said, I have to tell you this story. The Customs and Border Patrol decided that they needed training on the northern border for their folks in Florida. And so they sent them up with a black helicopter.

And they landed up here in Grand Marais, and then they went along 40 miles north to the border with Canada, and they were patrolling the Pigeon River and they saw this conveyance crossing over from Canada. And when the little canoe got on the U.S. shores, they swooped down on the intruders, put black masks over their heads and tied their hands behind their back and laid them down on the sand and aimed these vicious looking weapons at them.

All the while, the six people dressed in ominous black, asked their names and called the names into the county sheriff who said, and I won't repeat the exact words, but he said: You've just arrested the Chief of the Grand Portage Indian Band, who said to them, my people have been crossing over here for 2,000 years. If you don't want us to do it, just tell us. don't aim guns at us.

You are a victim. There are other victims, and we will do our very best to make sure that there are no further victims, and that you get an appropriate apology.

Mr. RAINVILLE. Thank you. I appreciate that immensely. Thank you so much.

Mr. BOWE?

Mr. BOWE. Good afternoon, Mr. Chairman.

Mr. OBERSTAR. You probably don't have anything quite so dramatic to tell us.

Mr. BOWE. I hope not.

My name is Peter Bowe. I am President of a company called Ellicott Dredges in Baltimore, Maryland. I am here today to talk about the impact of the ARRA on the U.S. dredging industry. Let me start with a few facts.

Dredging is essential to maintain the Country s waterways and ports. Marine transportation is the most economical and environmentally friendly mode of transportation we have. Ellicott Dredges is the oldest and largest company in the field of making dredging equipment. We got our start in this industry when the U.S. Government selected us to build all of the dredges used in the original construction of the Panama Canal back in 1907.

Our most important markets are overseas and the most common applications for our equipment are infrastructure projects other than navigation, for example, in the sand and gravel pits that you mentioned in your remarks this morning.

Having said that, the ARRA did have a meaningful impact not only in the dredge contracting industry, but on our company as a leading U.S. equipment supplier. Our sales from the stimulus were 10 dredges worth over $10 million. These sales sustained over 15 jobs out of a workforce of about 200. So that is meaningful to as a small business. And I think it is worth noting that about half of our manufacturing workforce in Baltimore consists of minorities.

Here is a quick sample of the types of projects the U.S. Army Corps of Engineers funded via the ARRA using a new Ellicott dredge. In North Carolina, a contractor new to the industry bought a $1 million machine for river navigation. In Virginia, a contractor new to the industry also bought a $1 million machine for coastal protection. In our home State of Maryland, a minority contractor bought a small dredge for river navigation.

In addition, we had meaningful sales in the domestic power and mining industries where the customer's original intention was to hire contractors, but they were forced to develop their own dredging capacity and buy dredging equipment when the traditional contractors were busy doing ARRA work.

It is our understanding from the Dredging Contractors of America that the ARRA has so far funded 100 dredging projects in 24 States with a value of over $110 million. It is relevant to know that a manufacturer like us relies on a diverse vendor base. We are a good example of the "multiplier effect" by which manufacturers buy parts, components and raw materials from many other companies. Most dredges we make and all of the dredges used in the above examples use CAT engines. They have castings from foundries in Pennsylvania and Michigan; hulls from vendors in Wisconsin, Michigan and Indiana, rust belt companies.

I might add that we have at least 15 vendors in Minnesota from whom we buy over $100,000 worth of parts and services per year. We spend more than half of every sales dollar we receive on outside vendors, and almost all are U.S. vendors. So clearly, the actual job impact is much greater than just the direct impact on our facilities in Wisconsin and Maryland.

The U.S. marine dredging industry does not operate in a way which maximizes our opportunity for the sale of new dredges, and here is why. Most of the dredging industry serves the U.S. Army Corps of Engineers. For years, the Corps has had a budget well under the requirements of approved projects and it is always funded on a year by year basis.

Further, Corps practice is to let jobs with very short mobilization periods. As it takes the better part of a year to build a new dredge, the long manufacturing process coupled with a short contracting process is not conducive to dredge contractors investing in new equipment. As a consequence, the average age of the dredge fleet in the U.S. is over 20 years, which is much older than in other countries.

The availability of ARRA funding was most welcome in this industry. Congress' desire for shovel-ready projects put pressure on the Corps and contractors to show that they had the capacity to meet the extra demand. The Corps did a great job meeting with the industry to plan project roll-outs to maximize the use of existing capacity and avoid shortages.

But the increase in dredging demand did absorb additional capacity, and the increase in capacity utilization was precisely what created the opportunity for us as an equipment supplier. Importantly, the additional funding from the ARRA induced contractors new to the industry to come in, in which case they obviously needed to buy new dredging equipment and it also induced existing contractors to expand.

The Corps should enjoy long-term benefits from this industry expansion, not only in capacity as measured by the number of dredges, but also in the number of new competitors. The ARRA is responsible for that. New dredging equipment introduces newer technology and offers more fuel-efficient production.

All other things being equal, with more contractors bidding and additional capacity available, the Government should get lower pricing on future jobs than it would otherwise. In just one example I cited above, the Virginia project, the low bid, which came from a new party to the industry, saved the government over $2 million compared to the next low bidder.

Now, one should ask: What changes could be made on an ongoing basis to improve the state of the domestic dredging industry and modernize its capacity? And there actually are two good answers to this question, both relating to issues now pending before Congress.

The first relates to a proposal supported by a coalition called RAMP: Realize America's Maritime Promise. RAMP represents a broad spectrum of shippers, ship operators, custom brokers, ports and port users. RAMP strongly supports passage of H.R. 4844, which seeks to direct that Congress should use funds from the Harbor Maintenance Trust Fund—derived from a small fee on imports—for their intended purpose, and that is funding annual dredging and port-related maintenance costs.

We believe this bill is necessary because contrary to the intentions of that fund, half of the fees generated are in fact used to offset the deficit. Using the trust fund as intended would give dredging contractors a sounder basis for their long-term planning and hence the confidence to invest in new capacity, and help support the Country's ongoing maritime needs.

Secondly, Congress could pass the Water Resources Development Act and include the language in H.R. 4844 which will ensure there will be consistent and sufficient funding for the Nation s ports and harbors on an annual basis.

Though it is likely that Ellicott Dredges will remain an export-oriented company, it would be terrific if we could continue at the higher level of domestic sales we now enjoy. We would like to continue our decade-long trend of growing both revenues and American jobs.

Thank you'very much for your time.

Mr. OBERSTAR. Thank you for a very splendid statement. I will come back to that in a moment.

I want to hear next from Mr. Burkett.

Mr. BURKETT. Thank you'very much, Mr. Chairman and Members of the Committee.

On behalf of Biohabitats, an ecological restoration firm based in Baltimore, I would like to thank you, the Committee, two-fold: first, for the opportunity to provide our perspective on the value to our business of the American Recovery and Reinvestment Act; and secondly, for entrusting our firm with the efficient and effective use of those taxpayer funds to further the science and practice of water quality improvement and habitat enhancement in and around our urban centers.

Specifically, Biohabitats has been entrusted with advancing the completion in this calendar year of six projects receiving stimulus funds totaling $3.1 million. Included in this funding, Biohabitats is directly providing professional services totaling $773,000. These seem like small numbers when we were talking about billions earlier this morning, but to a small firm like ours, these have a great impact.

On these projects, there is a direct amount coming to Biohabitats, but there is also a balance of funds going to survey professionals, restoration contractors for both their labor and materials.

We have acknowledged a weakening in our private sector business over the last 18 months, and we really want to emphasize the fact that this stimulus work has played a vital role for Biohabitats in bridging that gap. The work that we are talking about represents about 10 percent of our annual revenues, and if you translate that into jobs, that is four to five professional staff, engineers, landscape architects, and scientists. And then if you want to look at the flow-down from that, probably another 10 to 15 in surveyors and contractors and operators that are going to be working for us on these projects.

For our clients, this funding is enabling us and them to implement green infrastructure measures, practices that we believe will provide a cost-effective alternative to a lot of the gray infrastructure that is currently in place. And this is all to address the growing challenge that we have in terms of improving our surface waters such as our rivers, lakes and coastal waters.

Of the six projects that we have been entrusted with, the first three are what we call regenerative stormwater conveyance projects. They are simply stormwater projects replacing gray infrastructure. One is Carriage Hills. This has already been designed, constructed and is in place for the Maryland Department of the Environment near Annapolis. The second two are for the District of Columbia, specifically the Department of the Environment at Pope s Branch in Rock Creek, which are actually going to be designed and constructed for Federal lands within the Park Service.

The next project is the Wissahickon watershed restoration feasibility study, working for the Philadelphia District Corps of Engineers. That project is complete at this time. Another project which is going to get started in the next month is Bear Creek Stream restoration for Cuyahoga County, Ohio for their Board of Health. And then finally, a project which will be started up in the next two weeks is the Jean Lafitte National Historic Park invasive tree and wetland restoration project, certainly something that is very timely given the issues that are going on down in that area.

The first of these three projects that I mentioned, the regenerative stormwater conveyance, this is really kind of a unique blend of stream and wetland restoration techniques that are being used to restore ecologically sensitive areas that have been impacted by uncontrolled stormwater discharges. RSC provides not only the opportunity for safe conveyance of water, but also the opportunity to reduce flows, which impact our wastewater treatment plants, large estuaries and also improves the water quality by naturally filtering that water, allowing for biological degradation of that material in the stream and wetland-rich soils in those complexes.

Initial analysis of the RSC projects in the mid-Atlantic supports the fundamental contention that these projects, when viewed from the perspective of stacked benefits, meaning looking at your restored benefits, your restored streams, reforestation, and water storage actually yield a multiple return on investment four to six times, meaning for every dollar you spend, you get four to six back in terms of natural capital and services provided.

If you were to compare these costs in terms of installed, they are either at or equivalent to the conveyance costs in terms of traditional stormwater conveyance pipes. On this basis, we believe that green infrastructure for stormwater management yields a true net return on investment for public dollars, when considered against the one-time capital expenditure for a conveyance which beyond conveyance really yields few long-term benefits.

These projects that we are talking about are going to provide the foundation support for technical advances which will be shared by other professionals and other public works departments to really drive innovation in this area.

In terms of the projects in Philadelphia and out in Ohio, the Wissahickon Creek has long been a scenic and recreational waterway for Philadelphians, also a drinking water source. Decades of development within the Wissahickon, like many other areas, have taken a toll on the ecology, and several segments of this creek are actually listed among Pennsylvania s 303(d) listing for impaired waters.

The study that we completed prioritizes restoration within the Wissahickon very similar to what was mentioned this morning in terms of Cobbs Creek and Pennypack in Philadelphia, to look at opportunities to restore areas, implement these initiatives throughout the watershed, to improve water quality, improve habitat condition for plant, animal and then human communities.

The stream restoration project out in Ohio is a design-build stream restoration project for about 1,600 linear feet. The overall objectives of the project are to improve water quality in stream; improve aquatic and riparian habitat; dissipate the stream energy; minimize erosion sedimentation; protect existing infrastructure within the project site, in this case we have both bridges and road surfaces that are impacted; provide stormwater management; and finally to create a land lab for the city to use with the Department of Health with the school students, providing volunteer activities and learning about their ecology.

And finally, our work in the National Park Service at Jean Lafitte is really a hydrologic restoration. This project came about from the access channel dredging associated with oil and gas production, historically. What happened in this is you have created these dredge dykes. It provides a fertile area for Chinese tallow, an invasive species to come in and out-compete all of the natives. So we are actually doing a two-fold here by taking that dredge materials, putting it back in the canals. We are going to re-initiate or reconnect the floodplain with the wetland area, as well as choking out those invasive species.

But in conclusion, I would just say from our perspective, Biohabitats and our small firm, these projects have been made possible by the stimulus funding and that jobs were sustained for a small professional services firm which is hoping to advance the science of ecological engineering.

This fact is recognized by our firm and by our public sector clients who have been working hard to advance the transition from gray infrastructure fixes to green infrastructure solutions. These projects will no doubt have a ripple effect for each of our clients and their communities, and they will be felt for many years to come.

I thank you for the opportunity to address the Committee.

Mr. OBERSTAR. Thank you for a very enlightening and uplifting presentation.

Mr. Welch?

Mr. WELCH. Thank you. On behalf of the U.S. Green Building Council and their more than 17,000 organizational members and nearly 80 local chapters, I would like to thank Chairman Oberstar and Ranking Member Mica for the opportunity to testify today.

My name is Kevin Welch. I am a Senior Project Manager with PCL Construction Services in Denver, and if I might add, a former resident of Grand Marais.

PCL is a proud member of the U.S. Green Building Council and delivers sustainable construction solutions by using methods and materials that minimize harmful effects to the people and the environment. And as a result, they reduce the building operating and maintenance costs.

The utilization of sustainable construction by building owners such as the GSA results in a safer, more efficient end product and ultimately a higher return on investment for taxpayers.

PCL has had a longstanding partnership with the GSA and the U.S. Green Building Council and we are proud to be here today to talk about our work as part of the Recovery Act.

As previously mentioned, the Recovery Act provided the GSA with $5.5 billion for facility upgrades and new construction using high-performing green standards. On behalf of the U.S. Green Building Council, I would like to commend the Committee and the Administration for your leadership in including these provisions in the legislation.

I know first-hand that these programs are putting Americans back to work, and they also send a clear signal that building green is a key element in reducing the Federal Government s environmental and operating footprint.

Today, I want to talk about PCL s contribution to this effort with our work at the Denver Federal Center. In early 2007, the GSA awarded a contract to PCL to provide pre-construction services during the design phase of the Denver Federal Center s utility infrastructure replacement program, with options for construction and construction management services following the completion of the design.

The infrastructure at the DFC campus had been installed nearly 70 years prior and was failing with increasing frequency. Due to funding constraints reported by the GSA, the construction for the project was postponed in late 2008. As a result of the Recovery Act, in February 2009 the Denver Federal Center received approximately $45 million to significantly improve the aged infrastructure and to increase the overall readiness, reliability and sustainability of what is reported to be the largest Federal complex in the Western United States.

Due to ARRA funding, the GSA was able to quickly retrieve the design and the project team was able to hit the ground running. As such, the Denver Federal Center utility infrastructure replacement project was the embodiment of a shovel-ready project.

After confirming its budget and schedule, the GSA authorized PCL to proceed with construction in May of 2009. Examples of some of the new services include complete replacement of the domestic and fire water service system with a single more efficient service; a new 500,000 gallon water storage tank; and a new pump house with a solar array on the roof.

The project also includes new and rehabilitated sanitary sewer services, new and upgraded electrical distribution lines, paving, flood drainage, and stormwater collection improvements.

In total, approximately 21 miles of new utility services will be put into place. All told, these improvements, which are already 40 percent complete, will significantly reduce the campus water consumption and stormwater runoff, while expanding the GSA s vision for a more sustainable campus for nearly 6,700 employees who work there.

The project is making the Denver Federal Center a more efficient place, but also it is putting people back to work. Over 98 new and retained jobs have been created, including 17 onsite PCL staff members with nearly 51,000 man hours reported between PCL and our subcontractors in the first quarter of 2010.

With the project scheduled for completion in 2012, it is estimated that this project will continue to provide new and retained jobs at this level for approximately the next two years.

The jobs created and retained as a result of the project will necessarily help to stimulate and grow our local economy and the direct benefits of these jobs on the employees of PCL and our subcontractors who have the opportunity to construct this critical project are self-evident in this challenging economy.

I want to thank the Committee for the opportunity to discuss our contribution to the Denver Federal Center, and look forward to answering any questions that you have.

Thank you.

Mr. OBERSTAR. And thank you, Mr. Welch, also for a very illuminating presentation.

Perhaps, Mr. Rainville, you will be able to go back to your family, to your students and tell them while you had a bad experience, there are others who had very uplifting experiences and beneficial ones, and that because of your presentation here, we are going to be able to correct the situation. As we call it, correcting the record here, quaintly, in the House.

Mr. Bowe, you touch very deep strings in my heart when you talk about dredging inland waterways, the works of the Corps of Engineers. For seven years, it used to be an annual bill of the works of the Corps of Engineers. It then became two years, the Water Resources Development Act. For seven years, it didn't pass the Senate. In two Congresses, it passed the House, but didn't pass the Senate. In one Congress, it only got out of our Committee, but didn't make it to the Floor because it was clear the Senate wasn't going to act on it.

Then at the beginning of the 110th Congress, I became Chairman and Mr. Mica and I got together and said we were going to fix that. We were going to make sure that these things work, that the legislative process moves ahead. And we took all the 920 projects that had been reviewed by the Corps and approved by the Committee, that had passed the House at least once, and re-packaged them all together with new standards requiring Members to sign a statement that they had no personal or family financial interest; that there was a local sponsor who requests the project; that it is within the scope of responsibility of the Corps of Engineers.

And we weeded out those that didn't meet that standard, and we brought the bill to Committee; moved it on voice vote from Committee; and through the House expeditiously with 370-some votes; passed the Senate. We had a 45-minute conference with the Senate and sent the bill over to the White House where, unfortunately, President Bush vetoed the bill. The veto was overridden.

We had another 378 votes or so margin, so overwhelmingly bipartisan, and showed that the Members of Congress have a keen interest in the dredging that is necessary for our ports, our harbors, with five locks on the Mississippi River that don't meet the 1,200 foot standard for one each on the Ohio-Illinois River systems; for restoring the wetlands in the Gulf of Mexico and eastern Texas, Louisiana, Mississippi, up into Alabama; restoring the wetlands of the Everglades in Florida.

All those are long overdue, urgent, necessary needs, and we set them in motion. It would take on the average of $4 billion a year to $6 billion a year investment in the Corps to accomplish those works, and the budget fell short. But the stimulus provided that $4.5 billion incentive to move these projects ahead.

What I liked about your presentation is your reference to all the secondary effect of these projects. I have said all along it is not just the highway pavement contract, just the bridge builder. It is the Ready Mix plant, the asphalt plant, the rebar that goes into the concrete; the fence posts, the fencing, the I-beams for bridges. Those all have to be provided to this project. The sand and gravel pits, I referenced those earlier, those were shut down, reopened. People then were called back to work.

And in your case, you referenced companies that provide the multiplier effect: the hulls from vendors in Wisconsin, Michigan, Indiana; hydraulics from New Jersey; and all U.S.-based vendors.

That is the great success story. You also referenced the Maritime Administration grants of small shipyards. I did summarize that work of MARAD.

What lessons do you have for us for the future? We are getting ready to report another water resources bill. We have on the order of 1,100 projects that the Committee staff are now refining into final legislative language. But what recommendations do you have for us, based on your experience with Recovery Act?

Mr. BOWE. First, let me thank you and Mr. Mica for your support. You two obviously get the infrastructure task before you. In terms of what we recommended, we do recommend a new WRDA bill, as you just mentioned, and also your support of H.R. 4844, using the Harbor Maintenance Trust Fund fees for their intended purpose, which will make a lot of this annual give and take go away.

I understand that Congressman Mica actually just signed on to support that in the last day or so, so that is a welcome Member of the group of Congressmen and Senators already behind it.

Mr. OBERSTAR. I have said many times, I have never seen a Democratic road or a Republican bridge, but if we work together, we can build all American roads and all American bridges. And we do that on this Committee almost uniquely in the Congress. We march together on issues that are of importance, of investment for all America.

And what you do in the dredging, on the Mississippi River, Mrs. Schmidt, if I may just, then I will yield to you, but the Mississippi River from northeast Iowa to New Orleans is an 820-hour round trip for barge traffic. New Orleans is the world's most important grain export facility. Grain moves in international markets on as little as an eighth of a cent a bushel. That 820 hours, that translates to six weeks. Why? Because the barge tows are 1,200 feet and the locks are 600 feet except for Alton, Illinois, which is a 1,200 foot lock.

So the barge tows come up. They have to be split in half, send 600 feet through; the next 600 feet through; then lash them together and go all the way down.

Now, if you look at a map of South America and you see that point of Brazil that sticks out in the South Atlantic Ocean. At that point is the port of Recife. It is an export facility for Brazil. Just below that is the port of Santos, which is a grain export facility, agricultural export facility. They ship soybeans and processed sugar and other agriculture commodities to the same West and East African and Pacific Rim ports that our farmers ship to, except they have a 2,500 mile advantage. They are that much closer to those ports than the port of New Orleans.

So they have a built-in four-or five-day shipping advantage added onto our three-week disadvantage of moving goods down the Mississippi River.

Now, that is an investment in America's productivity. It is not just for the barge operators. We benefit for the dredging contractors. We benefit for all those who will build the works to expand the locks. But it benefits America's farmers and it benefits the heartland of America. It benefits the small towns of America. We have to make those investments and we got a start on it, but we need to do more. And there is more yet to come.

So I will withhold at this point.

Mrs. Schmidt?

Mrs. SCHMIDT. Thank you, and I am just going to be brief. It is my understanding that you are going to be sending a letter on behalf of Mr. Rainville regarding his issue.

Mr. OBERSTAR. Correct, to the Secretary of Homeland Security.

Mrs. SCHMIDT. I applaud you so much for that. Thank you so much.

And just what I briefly looked over in the testimony presented, the stimulus dollars for the most part for projects that were in this Committee are working. And to that extent, I am glad and I only wish you, and I know you do too, that we could get a highway bill so that we could extend this investment in America's future.

Mrs. Schmidt, if it were left up to you and me, it would be done.

Mrs. SCHMIDT. Bingo.

Mr. OBERSTAR. Because I know where you stand.

Mrs. SCHMIDT. Exactly. I am going to turn it back over, sir. Thank you.

Mr. OBERSTAR. Thank you'very much for your support for the work of the Committee and for being here today.

Mr. Burkett, these projects that you referenced, which I think are fascinating, the regenerative stormwater conveyance. This is sort of the new look in stormwater and in non-wastewater treatment, isn't it?

Mr. BURKETT. We would like it to be the new look.

Mr. OBERSTAR. Well, it is. It is a movement that is catching on all across the Country. We have a provision in the bill that Representative Schmidt just reference, our authorization of the future of surface transportation that will apply these principles to the highway program, and use regenerative stormwater. There is a huge amount of runoff from our Interstate highway system, our local highways and roads that carries all the oils and gasoline drippings and the rest of the waste on the highway system into ditches that go into creeks that go into rivers, and into estuaries eventually.

We want to stop that. And we have provisions in our bill that will provide encouragement to State DOTs to do better planning for regenerative stormwater conveyance. What lessons have you to share with us for that experience?

Mr. BURKETT. I think probably the largest lesson to learn is the further we can move up into the watersheds to make these things happen, the better off we will all be. In terms of just trying to great the Chesapeake Bay or any of these larger estuaries, at the point or at the end pipe is not the solution. We need to work further up into the watersheds. We need to recognize that as our population centers grow, so does the amount of impervious area, which contributes to stormwater.

So we need to look at ways to manage that. It has impacts from the State highway system to the wastewater treatment systems, as they handle combined sewer overflows, the more we can infiltrate that water near the source.

Projects like Mr. Welch was talking about, where you are looking outside the building envelope at not large centralized stormwater facilities, but facilities that infiltrate and push people towards these what have been called non-conventional techniques, to consider these as conventional techniques as we move forward.

There is a lot of very interested parties out there, a lot of progressive public works departments that have put their necks out there and are doing some really great things in terms of what I would call the research and development of the next stage of stormwater management.

Mr. OBERSTAR. Your testimony also references not only the professional staff, engineers, landscape architects, scientists in your firm, but those beyond the firm who have also benefitted, equipment operators, laborers. How far out is the reach of the stimulated jobs?

Mr. BURKETT. The reach for each one of these projects where we are doing them on a design-build basis, you have the equipment operators, heavy equipment operators that are out there on the piece of equipment. You have lots of materials whether it be sand and gravel pits, quarries where a lot of the materials are being harvested.

The reach is far and wide. Surveyors from the architecture and engineering industry, that is one industry that has been decimated over the last six to 12 to 18 months, where no construction was happening. Surveyors were letting crews go left and right.

So each one of these projects requires surveys. It is the first step of the process. Every one of the projects I mentioned has already had a surveyor out there. They have already done one, two, three weeks for the survey work. So we know we have crews on the ground already, even in doing that work.

Mr. OBERSTAR. Those architects and engineers are the harbingers of the future. The Associated General Contractors have been in town this week, along with others in the Construction Coalition. I am sure Mrs. Schmidt has been visited, as I and other Members have. And the Associated General Contractors say they look to the workload of the architects and engineers as an indicator of where there business may be going out into the future. And if they are doing well, they know that bids will be coming on the design work they will have completed.

You said choking out the invasive species. What specific projects have you undertaken with your stormwater conveyance regenerative projects?

Mr. BURKETT. Well, actually if you look at the regenerative stormwater conveyance project, any restoration project that we do always involves an invasives management component. Anytime you disturb soil, you disturb the seeds and oftentimes you have to give the native plants an opportunity to out-compete the non-native plants.

Why is that? Well, your natives are the ones that are drought-tolerant. They are the ones that are pest-resistant. And therefore for the future of a project in terms of its operation and maintenance expense, you don't spend you money on herbicides. You don't spend your money chasing after a problem that you created during construction.

So each one of these projects always has an invasives management and O&M piece after it for a few years to maintain the project. In terms of the Jean Lafitte project in particular, there is one where you are trying to reinstitute a hydrologic regime, a wetland, a true functioning wetland where because of the dredge that was done, it is essentially de-watered those wetlands. This is an opportunity to essentially rehydrate those. And once you have done that, the native plants will have an opportunity to out-compete the non-native plants.

Mr. OBERSTAR. That is a wonderful, uplifting story, and we all through the Great Lakes, Ohio is a Great Lake State, have the invasive species not only the lamprey eel, but the European round goby and the zebra mussels and spiny echinoderm, and a host of those; but the purple loosestrife and others of that nature that spread like wildfire because they have no native plant to crowd them out and stop them from spreading.

So lessons learned from your experience are very valuable.

Mr. BURKETT. We had the good fortune yesterday to actually be in Buffalo kicking off our work as a small business set-aside for the Corps of Engineers out of the Buffalo District under the Great Lakes Restoration Initiative. So there are some real and tangible evidence in the coming months to push back against the invasives, to restore our ecology of the Great Lakes.

Mr. OBERSTAR. There is a final question I have about the small business setaside, which is something I insisted on that we assure that small businesses have a fair opportunity to compete. Did you find any difficulty in working with the Corps of Engineers on your small business set-aside status?

Mr. BURKETT. No, that was the kickoff for a new award that we just had. Was the process competitive among the small business setasides? Yes, it was very competitive. And so there were a lot of small businesses available to pursue that work.

Had we gone ahead and had to compete against the largest of the large firms, we would have had a difficult time getting a toehold to get in there to work with the Corps. We also are working with the Philadelphia District with a small business setaside, and I would hope from their perspective, they have been very happy with the work that we have done for them.

And our firm, by its very nature, we try to push our clients to be innovative, to push ourselves beyond what we see right in front of us to what is ahead of us.

Mr. OBERSTAR. As a dairy farmer, Mr. Rainville knows very well how vitally important water is for agriculture. And all the water there ever was, ever will be, is with us today. We are not making any new water. And it is our responsibility to husband it carefully. Every day over the continental United States, we receive 1.2 trillion gallons of moisture. Only about 60 billion of it comes down in moisture. In the end, after runoff and impervious pavements that contribute to the increased runoff, it is only about 60 billion gallons available for surface water every day. That is all you are going to have to work with and manage, filter through or run off into the lakes and rivers. Protecting those resources in the way that you are doing with regenerative stormwater conveyances is vitally important for the future.

Mr. Welch, in your retrofitting of Federal facilities, have you had to present, or have the agencies done this, a lifetime cost analysis of installation of solar facilities?

Mr. WELCH. I believe that they have done an analysis. The GSA has done an analysis for that, or their designers, for our project. The solar panel that was installed on the pump house was one to determine the payback of solar panels. It is about 100 square feet, so it is a very small pilot program.

Mr. OBERSTAR. Earlier in the hearing, Mr. Schauer from Michigan referenced the solar issue and expressed his concern that a good deal of the production capability for solar panels, though invented here, produced initially in America, has increasingly gone offshore. Have you found difficulty in complying with the Buy America provisions of the Recovery Act?

Mr. WELCH. There is a considerable amount of due diligence that has to go in place to ensure that solar panels are in fact compliant with the Buy America Act, and that due diligence has been put into place on this project, and they have done a great deal of research and commitment to make sure that it is in compliance down to the fasteners themselves.

Mr. OBERSTAR. You have a splendid story about the Denver Federal Center. I would just observe my first term in Congress, 1975 and 1976, there was a hearing in this Committee room by the Chair of the Subcommittee on Public Buildings, as it was called then, and now it has a much longer name, Economic Development and so on, by the General Services Administration and the Sheet Metal Workers Union on a study that they had commissioned of the benefits of retrofitting Federal civilian office space.

The two-volume study showed that you could generate 135,000 sheet metal worker jobs alone, not including the electrical workers and carpenters and others who would also be required for solar panel installation. And that an investment of $175 million a year by the Federal Government to buy from the private sector the equipment needed to retrofit Federal civilian office space would bring down over a five-year period the cost of electricity from solar panels from $1.75 a kilowatt hour to something in the range of 15 cents a kilowatt hour, comparable to the seven cents kilowatt hour from the investor-owned utilities.

I thought that was a splendid way to save energy, to reduce the cost of electricity to the Federal Government spends. So I introduced the bill to do exactly these things over a three-year period, $175 million a year. Jimmy Carter signed the bill into law. My colleague over in the Senate, Hubert Humphrey at the time, moved it through that body. And he put the money in his budget, then he lost the election and President Reagan just zeroed out the funding for all alternative energy programs.

But then time passes and I became Chairman of the Committee in 2007. So this is going to be the first thing we are going to do. We have jurisdiction over 367 million square feet of Federal civilian office space. The electricity bill is $500 million a year. If we cut that even 10 percent, that is a savings to the taxpayer. If we cut it even more, that reduces the amount of coal we have to burn to produce electricity. We can run all the lights in this room, all the lights in this whole building with solar panels on the Rayburn Building, and we are moving in that direction to do that.

And so I directed the Committee staff to go back and dig up my bill that I had introduced years ago that was signed into law, and they found it. And they found my testimony before the Committee still in Committee files. So I said, all right, we are going to do this with the Department of Energy. We reported the bill, take funds out of the Public Building Fund, and retrofit the Department of Energy headquarters. So every day since September of 2007, the Department of Energy roof is generating 2.5 megawatts of electricity.

Now, we can do that and apply to buildings all over America, and you have started to do at the Denver Federal Courthouse. Then we will make a significant contribution. And maybe it will cost a little bit more at the outset, but in the long run, our children will be there to thank us for doing our part to save the environment and not burn as much carbon, put that carbon in the air that stays there for 100,000 years.

Mr. WELCH. I would agree.

Mr. OBERSTAR. Mrs. Schmidt, do you have any comments?

Mrs. SCHMIDT. I have a question for the panel.

Mr. Burkett, a couple of just small questions.

Mr. BURKETT. Sure.

Mrs. SCHMIDT. I know that with the whole Recovery Act, you have to do some paperwork. You have to have an accountability to the EPA and perhaps other agencies as well, including job reporting verification, et cetera.

My question is two-fold. I know sometimes when you get a whole bunch of paper, it seems to be overwhelming and you don't know what to do with it. Were you given any guidance on how they wanted these forms to be filled out? Did you feel that you were overburdened with them or that they were just necessary and OK on their own? Just a little feedback on the personal experience.

Mr. BURKETT. I would say that now that we have six projects, the first of which came through the Maryland Department of the Environment, they were challenged at that point to even understand what their own reporting requirements were.

As we have moved through this process, three, six, nine months now, everybody has refined their processes. The Corps of Engineers, the first time we all went, we kind of felt like we all went through the process together. The second time, they provided some refinements. The third time, we actually worked back and forth. And so now we are at a point where it actually is fairly smooth.

DC government for those two projects, they have an online system that they have set up. They have their own reporting requirements as well. So we are reporting not only what is required under the stimulus funding, but we are also requiring things that the

District of Columbia wants in terms of the accountability for their projects.

When you have agencies such as Cuyahoga County Board of Health, I think this is somewhat daunting for them. This is one or maybe a handful of projects for them. And what they are actually doing is looking to us, having been through the process now, to help them to understand what the reporting requirements are.

There also is the other level below us in terms of our sub-consultants and having to do a little training of our sub-consultants. For the District of Columbia, they want them to report their information directly. Others are asking that that information be rolled up through us and reported in our reporting, either on a monthly or on a quarterly basis.

So it is really improving. The larger the entity, the more sophisticated they are. The smaller the entity, they are a little bit in awe at first, but they know that this is a worthy project. They want to go through with it. They are willing to put up with it as well. So that is the qualitative answer to the question.

Mrs. SCHMIDT. To follow up, how could we make it better for you in reporting? Would videos explaining what different agencies want help? And do we provide that now? And if not, maybe we could?

Mr. BURKETT. On this side, it seems like a lot of that, there have been some basic tenets handed out to each one of the agencies that are distributing these funds. And so they have kind of been left to their own devices as to how to do this. I am sure that you probably could go out there and find some best practices, some entities that are doing it very cleanly, easily, and try to create a training process for others or maybe even the information packet for them, to say here is how you can set up your own system. That might create a little more uniformity.

With the Corps of Engineers, they are a very process-driven organization and so when we filled out the information, they would have little drop-downs. Those drop-downs would have 100 selections. And so what we were doing is going back to the project managers at the Corps and saying: What do you want us to fill out right here?

And so the iterations of that process, now the drop-downs are 30 instead of 100, and we know where we are supposed to populate that information.

So I am sure that as we get through this process, there are certainly some best practices that you are seeing in terms of the reporting that could be filtered out to others, because I know they would welcome the information.

Mrs. SCHMIDT. Thank you.

Does anybody else on the panel want to add anything to that?

Mr. BOWE. It is Peter Bowe here. I heard some comments about Buy America. I would like the Committee and Congress to reflect on the issue that the President is promoting something called the National Export Initiative. He has introduced legislation, or actually he is committed to a process to double the exports from the U.S. in the next five years and create 2 million jobs.

Now, the essence of exporting is you have to have two sides to a transaction, a buyer and a seller, and hopefully we are talking about American sellers. And I hope that the Committee exercises caution with respect to how other parties outside the U.S. have read Buy America.

I might add, our company is selling infrastructure equipment. We sell to Canadian governmental entities in competition with Canadian suppliers. We have had great success doing that. And we do hear from our customers overseas. We do more business overseas than we do in the States. People ask us: Are you keeping us out?

I don't control that, naturally, but we do very much want a two-way street with all of the partners that are willing to deal with us fairly. And certainly the Canadians and Mexicans are part of NAFTA, so I don't understand all the implications of Buy America because we are an exporter, but we do hear feedback from our partners overseas.

Thank you.

Mr. OBERSTAR. Thank you'very much for that question, and for your thoughtful response. I think that is important for us to keep in mind, particularly with Canada, where we have so much of a common market. From my District, we export iron ore to the former Stelco, Steel Company of Canada in Hamilton, Ontario. Now, that plant has been acquired by U.S. Steel. So Minnesota ore goes to Canada to make steel in Canada for a company owned by a U.S. steelmaker. And when the product they produce then comes to the border, is that Canadian or is it American?

The workers in the iron ore mine in Minnesota are organized by the United Steelworkers Union. Those at the plant in Hamilton, Ontario are organized by the Canadian branch of the United Steelworkers Union. So is this a foreign product or is it a domestic product?

We have so much exchange. Where there are no unfair practices, where there is no government subsidy of the cost of production as the Japanese are so wont to do with the Bank of Japan totally subsidizing products, giving export incentives and eventually discounting the costs so that it is practically nothing to the Japanese steel producer. That is not fair. We should not play in that market by Marquis of Queensberry rules when the rest of them are using black belt karate on us. But where the field is fair, the market ought to be open.

But there was a great feeling, as Mrs. Schmidt will remember, when the stimulus bill came to the House floor, these are U.S. taxpayer dollars. The purpose is to create jobs for Americans. We want to be sure that American jobs are funded by these projects.

And there were some problems early on with the State Revolving Loan Fund, SRF, of the EPA. There are some pumps that simply weren't built in America, but only built in Canada. And eventually, there are provisions under the Act, under the basic underlying law, not just the Stimulus Act, that allow for exceptions and for acquisition from foreign sources of products not readily available or not produced at home.

There is another situation where to meet the standard of treatment of wastewater, ultraviolet application was required. Municipal wastewater treatment facilities said, well, that doesn't exist in America. We don't have anything here, so how can we comply? And

EPA didn't know what to do. I said stand firm. Something will happen.

And a company in Minnesota that makes ultraviolet treatment for air intake said we can adapt our equipment to wastewater. They did and that resulted in a company now with 120 jobs, producing equipment for ultraviolet treatment of wastewater works.

It is a complicated issue. It is one that we have to address, think about, and you raised a very thoughtful question. It is a two-way street and we will continue working on this issue and learning the lessons from this experience.

You have all been wonderful, instructive, informative witnesses, and I am grateful for your participation today, and thank you'very much for your patience throughout this day with that long recess that we had.

But as you think further on your testimony today and on the experience, give us your further thoughts. We greatly welcome your contribution.

Mrs. Schmidt?

Mrs. SCHMIDT. Thank you.

Mr. OBERSTAR. No further comments.

With an acknowledgment of our marathoner, by the way, she is lean and trim because she runs marathons.

Mrs. SCHMIDT. But I haven't done Vermont yet. I need to.

[Laughter.]

Mr. OBERSTAR. OK.

Thank you'very much.

The Committee is adjourned.

[Whereupon, at 3:01 p.m., the Committee was adjourned.]

Harry E. Mitchell

Statement of Rep. Harry Mitchell
House Transportation and Infrastructure Committee
5/26/10

Thank you, Mr. Chairman.

The American Recovery and Reinvestment Act, H.R. 1, is making important investments in transportation and infrastructure, and today we will review its progress.

As of April 30, 2010, $34.6 billion has been put out to bid on 17,840 projects. 16,591 of these projects are under contract, for a total of $32.1 billion. Furthermore, across the nation, work has commenced on 14,984 highway and transit projects, totaling $30.9 billion, which represents 81 percent of the available highway and transit funds. 5,221 of these projects have been completed.

Arizona is continuing to receive Recovery Funds, many of which are being invested in planned highway, bridge, transit, and other shovel ready infrastructure projects. As of April 30, 2010, approximately $461 million in Recovery funds had been invested in projects that are already underway. Approximately $466 million had been invested in projects that were already under contract. In addition, another $487.5 million were associated with projects that had been put out to bid.

When combined with the tax cuts and other relief contained in the Recovery Act, these investments are creating jobs and economic activity.

I look forward to hearing more from our witnesses on the current implementation and progress of the American Recovery and Reinvestment Act.

I yield back.

James L. Oberstar

STATEMENT OF
THE HONORABLE JAMES L. OBERSTAR
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HEARING ON "RECOVERY ACT: PROGRESS REPORT FOR INFRASTRUCTURE INVESTMENTS"
MAY 26, 2010

The transportation and infrastructure investments provided by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have been a tremendous success. They have helped stem the tide of job losses from the worst economic crisis facing the nation since the Great Depression. Across the nation, 14,984 highway, transit, and wastewater infrastructure projects have broken ground, totaling $30.9 billion -- that is 81 percent of the total available formula funds. Within this total, work has been completed on 5,221 projects, totaling $4.2 billion. All 50 States have signed contracts worth 100 percent of their wastewater projects.

During the first year of implementation, these formula projects created or sustained 350,000 direct, on-project jobs. Total employment from these projects (direct, indirect, and induced jobs) reached almost 1.2 million. In April 2010, these projects created or sustained 55,000 direct jobs, and total employment reached 159,000.

In total, direct job creation has resulted in:

- Payroll expenditures of $2.3 billion;
- Federal taxes paid totaling $472 million; and
- Unemployment checks avoided worth $387 million.

These infrastructure investments have put America on the path to economy recovery. While this path has not been a smooth one, the recently announced economic job figures demonstrate that together we are working our way out of the recession. During December 2008, the economy lost 673,000 jobs. Last month, during April 2010, the economy gained 290,000 jobs. The transparency and accountability information collected and released by this Committee demonstrates how Recovery Act transportation and infrastructure investments have contributed to this upswing in job creation and economic growth.

While the Recovery Act has positively impacted millions of Americans across the country and ushered the nation towards economic recovery, Congress needs to take additional action to offset the continued rise in construction unemployment, the collapse of the private construction market, and State budget crises that limit States' ability to finance infrastructure projects. The House took action in December by passing the "Jobs for Main Street Act of 2010", which provides an additional $39 billion for programs under the Committee's jurisdiction. I urge the Senate to take action now to provide increased investments for ready-to-go infrastructure projects.

Against this backdrop, I scheduled this oversight hearing, the nineteenth Recovery Act oversight hearing conducted by this Committee, to hear from Federal officials implementing programs receiving funding under the Recovery Act. This hearing will focus on the non-transportation programs under the Committee's jurisdiction, including environmental, inland waters, and public buildings infrastructure. We will also hear from the Government Accountability Office (GAO) about its oversight of the Clean Water State Revolving Fund (SRF) program. I have additionally invited three companies that work on the front lines of our economic recovery to discuss their efforts to put Americans back to work.

The successful implementation of the Recovery Act highway, transit, and wastewater investments adds force to the calls for additional infrastructure funding. As of April 30, 2010:

- 17,840 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $34.5 billion, (91 percent of the total available formula funds for highway, transit, and wastewater infrastructure projects);
- Fifty States, five Territories, and the District of Columbia have signed contracts for 16,591 projects totaling $32.1 billion (85 percent);

- Work has begun on 14,984 projects in 50 States, five Territories, and the District of Columbia totaling $30.9 billion (81 percent); and
- Work has been completed on 5,221 projects totaling $4.2 billion in 50 States, one Territory, and the District of Columbia (11 percent).

The Recovery Act investments are also improving our nation's infrastructure. The Environmental Protection Agency (EPA) reports that wastewater infrastructure investments will result in 375 projects totaling $1.1 billion to improve publicly owned treatment works, that impact 60 million people, almost one-third of the U.S. population currently served by sewers. The U.S. Army Corps of Engineers (Corps) reports that their investments will result in navigation repair or improvement to 284 locks or commercial ports, 1,124 dam or levee safety projects, and maintenance or upgrade of 460 recreation areas. The General Services Administration (GSA) reports that their investments will result in the installation of 78 roofs, including 68 photovoltaic arrays on roofs, and 52 water systems.

Of the total $64.1 billion provided for all transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,351 transportation and other infrastructure projects totaling $62.9 billion, as of May 14, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $50.2 billion for 18,981 projects, representing 78 percent of the available funds.

- All 50 States met the requirement that 100 percent of their Clean Water SRF projects be under contract within one year of enactment (February 17, 2010). As of April 30, 2010, 1,836 projects are under construction totaling $3.7 billion (96 percent of the total funds);
- Work has begun or is completed on 46 Superfund projects totaling $531 million (91 percent);
- Work has begun or is completed on 114 of 186 planned Brownfield projects;
- The Corps has committed $3.5 billion for 791 projects (77 percent);
- GSA has awarded contracts and begun work on 406 projects worth $4.1 billion (74 percent);
- The Economic Development Administration (EDA) has broken ground on 43 of the 68 planned projects totaling $91 million (62 percent);
- Amtrak has started work on 208 projects totaling $1.3 billion (100 percent);
- The Federal Aviation Administration (FAA) has initiated or completed work on 704 projects totaling $1.2 billion (95 percent); and
- Under the Coast Guard's Alteration of Bridges program, work has begun on three of the four planned bridge projects totaling $81 million (57 percent).

Although the Recovery Act has counteracted the increase in construction unemployment, Congress must continue to focus on job creation. Additional funding for infrastructure projects will immediately create and sustain needed employment.

I am pleased with the progress that has been made since enactment of the Recovery Act. I look forward to hearing the testimony of today's witnesses and discussing what is being done to ensure that Recovery Act funds will continue to create good, family-wage jobs as quickly as possible, and learning how we can build upon these efforts to ensure that we continue to put Americans back to work.

Congresswoman Laura Richardson

Statement at Committee on Transportation and Infrastructure Hearing on "Recovery Act: Progress Report for Infrastructure Investments"
2167 Rayburn House Office Building

Wednesday May 26, 2010

10:00 A.M.

Laura Richardson

Mr. Chairman, I want to thank you for convening this hearing to discuss the progress that has been in distributing the Recovery Act funds and to better understand the impact these funds have had.

While we have heard testimony today detailing how successful this program has been in distributing funds and creating jobs, I still represent a district with unemployment rates of: 12 percent in Carson, 20.1 percent in Compton, 13.1 percent in Long Beach, and 9.5 percent in Signal Hill. While ARRA has been a great success for the economy as a whole, it has not been a great success for each individual and each community and we must remember that we still have a long way to go.

We must remember that despite these efforts, the construction industry that builds these projects has the highest unemployment rate of any industrial sector at 21.8% in April of this year. However I am happy to say this is down from 24.7% from our last hearing on this subject in January.

The economy as a whole is showing encouraging signs, and we must attribute much of this to the work of President Obama and the work of this Committee. In April 2010, the economy added 290,000 jobs, while in April 2009, the economy lost 582,000 jobs. One can see that the number of jobs lost each month was marching upwards until the exact moment that President Obama took office. Since then it has steadily declined, and now we are adding jobs each month.

However even with some success, we must continue to ensure the Recovery Act dollars are quickly allocated and look to continue to invest in our infrastructure while creating jobs. As we make investments in the future, I also urge my colleagues to ensure that the dollars are being allocated fairly and to the areas that have the greatest needs; both needs for infrastructure spending, and a need to address unemployment.

My constituents could certainly use the good paying jobs that come with infrastructure investment. I hope that as we continue to invest in our infrastructure and create jobs, more consideration will be given to districts heavily impacted by transportation and districts that have especially high unemployment rates.

It is crucial that these funds are directed to the places most in need. I look forward to the administration continuing to track these types of numbers and continuing to focus on getting money to communities most in need.

It is also that important that states and countries do their part. Last November, over 67% of the citizens of Los Angeles County voted in favor of Measure R thus raising their own sales tax by half a percent in order to pay for infrastructure needs. Understandably, Los Angeles County wants to spend this money as soon as possible in order to quickly realize the economic benefit of infrastructure spending. A large delegation from LA Metro were here this week once again, meeting with members of the Committee and Chairman Oberstar himself, further stressing the importance of this initiative to the people of Los Angeles.

As we discuss the benefits of federal transportation spending, I think Congress and federal agencies must also look at ways policies and programs can help incentivize local revenue raising and spending, such as measure R, and do everything in our power to assist local entities to invest in infrastructure.

Congress should look at revising The Transportation Infrastructure Finance and Innovation Act (*TIFIA*) program to scale it up for larger projects and allow for upfront credit commitments for certain large scale projects that meet a set of criteria we will lay out. We must also look at bonding measures that can help incentivize entities to aggressively invest in their infrastructure.

There clearly still remains a vast appetite for transportation programs. Fewer than 3% of programs applying to the TIGER program were funded, and I know several worthwhile programs in my district fell short.

For example, the City of Long Beach applied to fund the Long Beach Sustainable & Livable Transportation Program. The proposed program would have created a well-developed "green" transportation network of streets, thereby promoting the realization of a livable, active and sustainable community, and one that benefits from the creation and preservation of jobs.

The Sustainable & Livable Transportation Program would include the development of a citywide network of streets that accommodates all modes of travel and the expansion of the bicycle-sharing program, both of which will motivate increased use of pedestrian, bicycling, and transit facilities. Specific improvements would include the construction of multiple "complete streets," a "bicycle boulevard," the extension of two multi-modal paths surrounding the city, and an expanded bicycle-sharing program. The construction of these streets and the expansion of the program would have cost approximately $30 million and would have brought jobs and improved the lives of the citizens of Long Beach.

And I have not even mentioned yet the Gerald Desmond Bridge. This bridge carries 10-15% of the nation's goods and literally has a netting, referred to as a diaper, underneath it to catch falling pieces. Yet it too failed to get a cent of the TIGER funding.

I hope that my district, with its many transportation needs, will warrant heavy consideration in the next round of TIGER applications due this summer.

I would like to work with the other members of this committee and many of the witnesses before us today to find a way to fund many of the deserving programs that fell short this time.

I would like to thank all of the witnesses for appearing before us today and for all the hard work they have done putting the Recovery Act to work.

Thank you, Mr. Chairman

TESTIMONY
on
IMPACT OF THE AMERICAN RECOVERY REINVESTMENT ACT ON THE U.S. DREDGING INDUSTRY
before the
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

By
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May 26, 2010

My name is Peter Bowe. I am President of Ellicott Dredges, LLC, of Baltimore, MD. Thank you for the opportunity to offer testimony on the impact of the American Recovery Reinvestment Act on the U.S. Dredging Industry.

Dredging is an essential function necessary to maintain the country's waterways and ports. It is generally accepted that marine transportation is the most economical and environmentally friendly form of transportation available. Ellicott Dredges is the oldest and largest U.S. manufacturer of dredging equipment. The dredges we manufacture are like floating vacuum cleaners or bulldozers. They move material underwater. We operate a plant in Baltimore's inner city, where we have been at the same location for 110 years, and from a brand new Greenfield facility in rural western Wisconsin. We got our start in the dredging industry when the U.S. government selected us to build all of the dredges used in the original construction of the Panama Canal.

The most common application for dredging equipment is actually not marine navigation but mining applications like sand mining or salt mining. Dredges are also used for environmental cleanups, for hydroelectric power plant projects, for water projects like irrigation and reservoirs, and even waste water treatment plants. Our company derives most of its business from exports – not the US market. We sell to several dozen countries a year, building on the export focus we developed from our work in the Panama Canal over a century ago.

So right up front this is an interesting position for us to be in – testifying on behalf of the ARRA when our most important markets are overseas, and the most common applications for our equipment are projects *other* than navigation. There are some structural reasons that I will get into later about why the U.S. navigation market is not as big as it should be for equipment suppliers like us.

Having said that, the ARRA did have a very meaningful impact not only on the dredge contracting industry, but on Ellicott Dredges, as the leading dredge equipment supplier. We can say that our sales directly and indirectly resulting from stimulus accounted for 10 dredges worth over $10 million. These sales sustained over 15 jobs out of our total work force of about 200.

So that's meaningful to us as a small company. And it's worth noting that close to half of our Baltimore manufacturing work force consists of minorities.

Here is a quick highlight of some of the US Army Corps of Engineers projects funded by the ARRA where a new Ellicott dredge was employed:

In Michigan a small business dredge contractor bought a new $1 million machine to do work for Leland Harbor, and other small harbors.

In North Carolina a contractor new to the dredging industry bought a $1 million machine for river navigation.

In Virginia a contractor new to the industry purchased a $1 million dredge for coastal protection and erosion control.

In our home state of Maryland a minority contractor, also new to the dredging business, bought a small dredge for river navigation work.

The Bureau of Reclamation, part of the Department of Interior, has just solicited bids for a $3 million dollar dredge to work in Lake Havasu in Arizona, also funded by ARRA.

In addition we had some meaningful sales in the domestic power and mining industry where the customers' original intention was to hire contractors, but were forced to develop their own dredging equipment capacity internally by buying new equipment when traditional dredging contractors were busy doing ARRA-funded work. It is our understanding from the industry organization Dredging Contactors of America that the ARRA has so far funded just under 100 dredging projects in 24 states, with a total value of over $110 million.

I will not speculate on the job creation or retention within the dredging contractors as a group, but it is highly relevant to know that a manufacturer like us relies on a diverse vendor base. We are a good example of the so-called "multiplier affect" by which manufacturers buy parts, components, and raw materials from many other companies. Most every dredge we make and all of the new dredges mentioned above are powered by a Caterpillar diesel engine. Most of these dredges have pump cases using castings from foundries in Pennsylvania and Michigan, and elsewhere. The hulls came from vendors in Wisconsin, Michigan, Indiana, and elsewhere. The hydraulics came from a supplier in New Jersey. And so on, and so on. We spend more than half of every sales dollar we receive on outside vendors, and almost all of that goes to US-based vendors. All of these dredging machines were delivered on trucks to their project sites, supporting the road transportation industry as well. So clearly the actual job impact is much greater than the direct impact to our factories in Maryland and Wisconsin.

I mentioned earlier that the U.S. marine dredging industry does not operate in a way which maximizes opportunities for the sale of new dredges such as we make. I would like to elaborate why. Most of the dredging industry capacity serves work funded and managed by the U.S. Army Corps of Engineers. For many years the Corps has had a budget well under the requirements of what approved projects require, and it is always funded on a year-by-year basis. Further, the typical Corps practice is to let jobs with very short mobilization periods, usually just 30 to 60 days. It takes a better part of a year to build a new dredge, so the manufacturing process coupled with the dredge contracting process are not conducive to dredge contractors investing substantial capital in new equipment. Those who have done so have taken big risks not knowing whether there will be work funded to justify their new investment, or whether they will win the projects which might need this equipment. As a consequence, the average age of the U.S. dredging fleet is over 20 years and is much older than that in many other countries.

The availability of ARRA funding was most welcome and needed in this industry. Congress' desire for "shovel-ready" projects put great pressure on the Corps and the contractors to show that they had the capacity to meet the extra demand. The Corps did a great job meeting with the industry to plan project rollouts to maximize the use of existing capacity and avoid shortages. Inevitably some shortages did result. The increase in dredging demand did absorb additional capacity. In a few cases projects had only one bid, and occasionally no bids. While "no bids" were perhaps rare, the increase in capacity utilization is precisely what created the opportunity for us as an equipment supplier.

One might say, contrasting our desire to sell new capital equipment, and the contractors' general desire to avoid additional investments as long as possible, that "one man's pain is another man's pleasure."

The additional funding from the ARRA induced contractors new to dredging to enter the industry, in which case they obviously needed to buy dredging equipment, and also induced existing contractors to take the risk of investing in new capacity on speculation that they would get additional work. Further, our company took the risk to invest in additional inventory anticipating these trends; we did in fact get some sales because we were able to deliver within the mobilization periods required by the Corps bidding procedures and the "shovel ready" principle governing ARRA projects.

The Corps should enjoy long term benefits from this industry expansion–not only in capacity as measured by number of dredges but also in the number of competitors. The ARRA is responsible for that. And the new dredging equipment introduces newer technology and more fuel efficient production. All the things being equal, with additional contractors bidding, and additional equipment capacity available, the government should get lower pricing on future jobs than it would otherwise.

I should mention yet another important way that our company benefited from the ARRA. The Maritime Administration, a unit of the Department of Transportation, used ARRA funding to expand a program to provide matching grants to small shipyards such as ours to invest in new equipment improving our manufacturing efficiency. Over 50 different small shipyards, including ours, received grants partly funded by the ARRA, partly funded by ongoing appropriations, and of course with a minimum 25% contribution by the award recipients themselves. We used our grant to buy new mobile cranes, new overhead cranes for our shop, and new machine tools and other fixed asset investments. They are helping us improve our quality, reduce our costs, and shorten delivery times.

As I have already noted that the government's current procedures for funding Corps of Engineers' projects are inherently less than ideal from the perspective of introducing new dredging capacity (and therefore less than ideal for new technology as well), one could reasonably ask what changes could be made on an ongoing basis to improve the state of the domestic dredging industry and modernize its dredging capacity. There actually are two good answers to this, both relating to issues pending before Congress.

The first relates to a proposal supported by a coalition called RAMP – Realize America's Maritime Promise, formed in March 2008. Ellicott Dredges is a member of that coalition. RAMP represents a broad spectrum of the maritime industry including maritime users, shippers, ship operators, custom brokers, ports, and port users. RAMP has strongly supported passage of H.R. 4844 which seeks to direct that Congress use funds from the Harbor Maintenance Trust Fund, derived from a small fee on all imports, for their intended purpose which is funding annual dredging and port-related maintenance costs. We believe this bill is necessary because contrary to the intentions of the HMTF, **almost** half of the fees generated by this Fund are not used for their intended purpose but rather to offset the deficit. Using the Trust Fund as intended would give dredging contractors a sounder basis for their long term planning and hence the confidence to invest in new capacity to serve the country's ongoing maritime maintenance needs. Secondly, Congress could pass the Water Resources Development Act and include the language in H.R. 4844 which will ensure that there will be consistent and sufficient funding for the operation and maintenance of the Nation's ports and harbors on an annual basis.

Thank you for the opportunity to explain how the ARRA has had a direct impact not only on the dredging contractor industry but also on equipment suppliers like Ellicott Dredges. Though it is likely we will remain an export-oriented company, it would be most welcome to us if we could continue with the higher level of domestic sales we now enjoy. We'd like to continue our near-decade long trend of growing both revenues and American jobs.

Biohabitats
Incorporated

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May 26, 2010

Dear Members of the Subcommittee,

On behalf of Biohabitats, Inc., a 42-person ecological design firm, I would like to thank you two-fold: for the opportunity to provide our perspective on the value to our business of funding provided through the "American Recovery and Reinvestment Act of 2009" and, secondly, for entrusting our firm with the efficient and effective use of taxpayer funds to further the science and practice of water quality improvements in and around our urban centers.

Specifically, Biohabitats has been entrusted with advancing to completion, in this calendar year, six projects receiving ARRA funds totaling $3,127,000. Included in this funding, Biohabitats is directly providing professional services totaling $773,000 with the balance going to survey professionals and restoration contractors for both labor and materials. Acknowledging the weakening of our private client base over the preceding 18 months, we emphasize the fact that these ARRA funded projects play a vital role for Biohabitats in bridging the current economic trough. Representing over 10 percent of our firms revenue for the coming year, this work has and will sustain the equivalent of four, professional staff (engineers, landscape architects, and scientists) for Biohabitats and approximately 10 to 15 surveyors, equipment operators and laborers for our project partners.

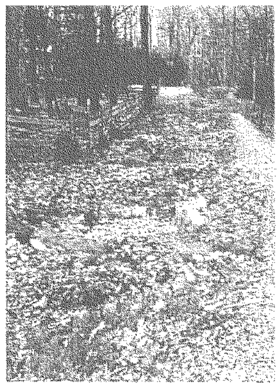
For our clients, the funding enables us to implement "green infrastructure" practices that we and our clients believe will provide a cost effective alternative to traditional "grey infrastructure" in addressing the growing challenge of protecting and improving surface waters, such as our rivers, lakes, and coastal waters.

The six ARRA funded projects are as follows:

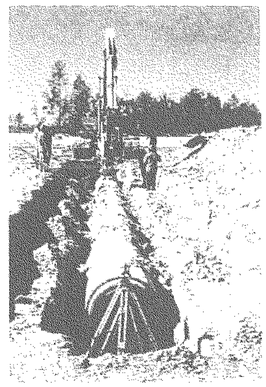
- Carriage Hills Regenerative Stormwater Conveyance (RSC) for the Maryland Department of the Environment; Total Authorization $58,000.
- Rock Creek Milkhouse RSC for DC Government Department of Environment; Total Authorization $660,000.
- Popes Branch RSC for DC Government Department of Environment; Total Authorization $263,000.
- Wissahickon Watershed Restoration Feasibility Study for Philadelphia District Corps of Engineers; Total Authorization $225,000.
- Bear Creek Stream Restoration for the Cuyahoga County, OH Board of Health; Total Authorization $1,011,000
- Jean LaFitte National Historic Park Invasive Tree Removal and Wetland Restoration for the National Park Service; Total Authorization $910,000.

Regenerative Stormwater Conveyance. The first three of these projects involve the implementation of a newly developed ecological restoration technique referred to as Regenerative Stormwater Conveyance. This conveyance technique blends the fields of stream and wetland restoration to restore ecologically sensitive areas degraded by uncontrolled stormwater discharges. As shown in the representative images below, RSC provides an opportunity for not only the safe conveyance of stormwater, but also the opportunity to reduce flows and improve water quality through natural filtration and bacterial decomposition in the organic rich soils of an integrated stream and wetland complex.

Initial analysis from existing RSC projects in the Mid-Atlantic, supports a fundamental contention that these projects when viewed from the perspective of stacked benefits associated with restored wetlands, restored streams, reforestation, and water storage yield return multiples on investment from 4.4 to 6.5, where the initial investment includes RSC design, construction, and materials (these costs were at or below the equivalent cost for conventional piped conveyance). On this basis, green infrastructure for stormwater management yields a net return on investment for public utilities choosing this approach versus a single one-time capital expenditure that yields no long-term benefits beyond conveyance of stormwater. These projects will provide further support and technical advances to be shared widely with other design professionals and public works departments to drive innovation in this area.



Regenerative Stormwater Conveyance



Conventional Stormwater Conveyance

Watershed Restoration Feasibility Assessment and Stream Restoration. In reference to the first these two projects, Wissahickon Creek has long been a beloved scenic and recreational waterway and a drinking water source for Philadelphians. However, decades of development within the Wissahickon watershed have taken an ecological toll on the creek. Several segments of the creek are included among Pennsylvania's 303(d) listing of impaired waterways due to excessive erosion and nutrient input. We identified opportunities to address these impairments through the implementation of Best Management Practices (BMPs), such as stormwater wetlands, stream restoration, and riparian and floodplain enhancement. We developed and evaluated, based on habitat evaluation and cost-benefit analysis, a total of 40 BMP restoration alternatives. The study prioritizes restoration options and guides the implementation of initiatives that will result in improved water quality and habitat conditions for plant, animal and human communities within the watershed.

In Ohio, the Cuyahoga County Board of Health contracted for the design/build restoration of over 1,600 linear feet of stream. The stream was previously straightened and channelized. Over time these actions resulted in down cutting of the stream which undermined bridge headwalls and impacted road stability. The overall objectives of the project are to: improve the water quality of the stream; improve aquatic and riparian habitat; dissipate stream energy; minimize erosion and sedimentation; protect existing infrastructure within the project site; provide stormwater management with vegetative filtering; increase the capacity of the channel; and setting the stage for a Land Lab on the City-owned parcel as the Board of Health seeks to develop an educational program with the Warrensville Heights City School District.

Invasive Control and Wetland Restoration. As for the final project, our work for the National Park Service will result in hydrologic restoration of a wetland complex disturbed initially by access channel dredging associated with oil and gas production sites. The resulting dredge dikes became fertile ground for the establishment of invasive plant communities of Southeast Chinese Tallow trees. Biohabitats will be overseeing the excavation and placement of these resulting dredge dikes along 1.5 miles of canal. Thus, the canals will be reconnected with the wetland complex raising the groundwater table and enabling the reestablishment of the native plant community.

Conclusion

No question, the projects referenced above have been made possible by the ARRA funds and that jobs were sustained for a small, professional services firm hoping to advance the science of ecological engineering. This fact is recognized by our firm and our public sector clients who have been working hard to advance the transition from grey infrastructure fixes to green infrastructure solutions. These projects will no doubt have a ripple effect for each of our clients and their communities that will be felt for many years to come.

Sincerely,
BIOHABITATS, Inc.

Timothy J. Burkett
Chief Operations Officer

Testimony of

John R. Fernandez
Assistant Secretary of Commerce
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Before the

United States House of Representatives Committee on Transportation and Infrastructure

May 26, 2010

Introduction

Chairman Oberstar, Ranking Member Mica, and members of the committee, thank you for this opportunity to testify on behalf of the Department of Commerce's Economic Development Administration (EDA).

From his first day in office, Secretary of Commerce Gary Locke has focused the Department on fostering economic growth by supporting job creation efforts, harnessing innovation and increasing capital investments in economically distressed areas.

To achieve these objectives, EDA is working throughout the country to facilitate the creation of jobs and stimulate economic growth. In practical terms, that means three things:

- Fostering regional innovation that builds on an area's competitive advantage;
- Encouraging business exports and global competitiveness; and
- Leveraging private investment.

EDA translated this philosophy through our work on the American Recovery and Reinvestment Act of 2009.

American Recovery and Reinvestment Act Funding

Since I last appeared before the committee in February, I would like to update you the progress that EDA has made on its 68 recovery act projects. I am pleased to report that many communities hard hit by the economic recession are already putting these funds to work – breaking ground, hiring workers and leveraging significant private investment.

As you know, EDA received $150 million of Recovery Act funding. By the end of last September—a full year ahead of schedule– we obligated 100% of our allocation, funding 68 projects in 37 states. We invested $50 million to promote the development of regional innovation clusters, $37 million to promote business incubation, $27 million to promote green jobs, $11 million to promote trade, connecting regional economies to the global marketplace and $25 million for a variety of other development projects.

Project investments range from $184,000 to $6.4 million. The projects funded through these investments target a wide range of economically distressed and underserved communities, expanding local assets and infrastructure, thereby strengthening their regional economy and enhancing the communities' global economic competitiveness. EDA awarded $141.3 million (96%) of its Recovery Act funds for construction projects. These projects are creating high-skill, high-wage jobs, and attracting private investment. EDA's Recovery Act investments are expected to leverage $981 million in private investment over the next nine years.

In the three months since I last appeared before the committee, new projects have broken ground, helping communities and businesses create jobs. To date 63.24% of EDA's Recovery Act projects are underway, as opposed to 41.18% three months ago. These projects total $90.5 million, or 61.59% of our Recovery Act allocation. I am pleased to report that to date, nearly all projects within EDA's Recovery Act portfolio met anticipated construction start and other project implementation milestones.

In addition, with our Regional Offices, we developed specific outreach initiatives to assist our recipient partners in meeting the reporting requirements of the Recovery Act. At the end of the second reporting period, 100% of our Recovery Act grant recipients successfully met progress reporting requirements.

Success of ARRA & EDAP Programs

EDA's ability to successfully implement the Recovery Act should be no surprise to those familiar with the Agency. We have a long history of working with communities to provide effective infrastructure, technical assistance, and capital investments through traditional Economic Development Assistance Programs (EDAP), as well as through budgetary supplementals, such as those that have been recently provided for disaster-mitigation and job creation purposes. EDA's ability to consistently achieve successful results is the direct result of three core strengths.

- **First, EDA provides cost-effective investments to distressed communities.**

In 2009, the Agency awarded $591 million in EDAP and supplemental appropriations. EDA strategically focuses on supporting ecosystems that promote innovation and entrepreneurship.

EDA recently announced a major investment in the Caveland Sanitation Authority, KY to help expand their critical wastewater treatment plant capacity in Progress Park, the county's industrial park. This ARRA investment will improve the Horse Cave Wastewater Treatment Plant to expand its capacity from 280,000 GPD to 560,000 GPD, to allow for industrial park expansion and business retention and recruitment. Grantees estimate that this industry expansion will generate $20,000,000 in private investment as well as allow for future economic growth. It is this type of investment that helps distressed communities grow their economic ecosystems to support industrial expansion using cost effective and cost efficient means.

- **Second, EDA projects successfully leverage other investments.**

EDA investments achieve a catalytic role in local communities, and provide seed money that attracts other private and public investors. According to research by Rutgers University, every $1 million of EDA funding leverages, on average, $10.08 million in private investment, and another $1 million in Federal, state, or local investment.

EDA has a recent investment that will construct critical road, water and wastewater line improvements to facilitate development of a new road segment of NW 44th Avenue in the City of Ocala, Florida. According to grantee estimates, three companies will invest $25 million in capital improvements within three years and several industrial tracts will become more marketable for future development and employment growth. In the short term, construction jobs will be created, but in the long run these industrial tracts will serve the Ocala community for decades.

- **Finally, EDA investments support critical projects and initiatives that support national competitiveness, including innovation and development of regional economic clusters.**

EDA designs its programs to support job creation and stronger regional economies. EDA particularly focuses on building upon two key economic drivers – *innovation* and *regional collaboration*. Many of EDA's traditional programs support these efforts. For example, the Agency's Revolving Loan Fund program provides much-needed capital to help grow and create businesses, and EDA's University Center Program leverages local assets to support regional collaboration.

A great example is the Northeast Minnesota regional aviation cluster. Since the mid-1990's, this has evolved into one of the region's major manufacturing sectors and has played a significant role in providing "living wage" jobs and benefits supporting advanced general aviation employment. This cluster has served as a significant driver of economic diversification from a natural resources-dependent economy that has relied on mining, wood products and tourism for generations. Cirrus's growth has helped create a technologically advanced supplier support network of companies providing new age precision machine parts, wiring assemblies, avionics, seating and interiors for the composite aircraft of the present and future.

This cluster has grown in part because of the significant support and investment provided by EDA in buildings, business parks and public infrastructure, and the region's revolving loan fund. For example, Cirrus Aircraft grew from a handful of employees to 1,012 employees in July 2008 during an unprecedented growth period. A support cluster of approximately 20 companies grew with Cirrus and accounted for another 830 jobs in Duluth and across the region. These same companies have also provided their expertise in product development and services to support other aviation related companies nationally.

In addition to these direct jobs, this cluster has also spurred advanced education, training and proto-type development at the University of Minnesota-Duluth and nearby community and technical colleges, supported new entrepreneurship and has advanced innovation in other areas of the region's economy. Cirrus is developing a new generation of aircraft which may bolster this area's vibrant aviation cluster.

Second, EDA investments have been leveraged to create new investments in future growth industries. Recently, EDA funded an infrastructure support project in Dorchester County, South Carolina, to support their regional biotechnology cluster. This infrastructure will be used to recruit, retain, and grow high wage and high skilled jobs within the biotechnology industry. Just recently Dorchester County announced the recruitment of a private sector biotechnology firm, which grantees estimate will generate over $14 million in private investment.

Finally, EDA is helping in an automotive industrial park expansion project in Hamilton County, TN. This investment will upgrade and expand the capacity of the rail system at the Enterprise South Industrial Park in Chattanooga, Tennessee to serve the new North American production facility for a major automotive group. Grantees estimate that the initial automotive production facility will eventually generate private investment of $1 billion.

Lessons Learned

EDA's ability to obligate the Agency's entire Recovery Act allocation a full year ahead of schedule exemplifies the flexibility of its programs, and the continued dedication of EDA staff. In addition, our experience administering the Recovery Act funds has provided the Agency a unique opportunity to evaluate the strengths and weaknesses of its programs and processes.

I am personally committed to making our grant application system work even better for future EDA applicants. Based in part on our experience with the Recovery Act, we have been evaluating and analyzing how we can make our grant process even more transparent, quicker, and continue to increase overall return on investment. We know that our grantees will welcome this kind of improvement, and we continually reach out to our stakeholders for feedback and ideas for improvement. We plan to have a modified process in place by the end of this year.

EDA Reauthorization

The lessons learned from the Recovery Act have also guided our thinking as we drafted the Agency's proposal for reauthorization. Reauthorizing EDA represents a unique opportunity to continue advancing our nation's economic recovery. Since the enactment of the Public Works and Economic Development Act of 1965 (PWEDA), the statute has provided EDA with the flexibility to help distressed communities respond to long-term economic decline, as well as to wrenching "sudden and severe" economic dislocations caused by the loss of a major employer or natural disaster. Our Recovery Act success suggests that this flexibility serves the country well.

The great economic challenges we face today require a considered effort to ensure that EDA works even more effectively to help American communities, businesses, and employees compete in the global marketplace of the 21st century. Reauthorization of EDA in 2010 presents a window of opportunity to modernize the Agency – aligning its priorities and program structures to improve the competitiveness of American communities. National economic development policies must reflect the importance of collaborative regional innovation initiatives as the new framework for sustainable economic growth.

Mr. Chairman, the Public Works and Economic Development Act has served the agency and the Nation well. The basic framework remains flexible and sound. Nonetheless, the reauthorization proposal we submitted to Congress has some important changes that we believe will help us become even more effective. Our proposal emphasizes innovation, entrepreneurship and global competitiveness as the keys to sustainable economic development.

Conclusion

Mr. Chairman, EDA has a long-term, and very successful, working relationship with you and the Committee. Though the balance of EDA's Recovery Act allocation has been awarded, our work to improve economic conditions in the country's hardest hit areas is far from done. We remain eager to provide excellent service to the citizens of this country. The Department of Commerce is looking forward to working with the Congress on reauthorization of EDA to develop a stronger framework for sustainable economic development that meets the needs of the 21st century.

Chairman Oberstar, Ranking Member Mica, and members of the committee, thank you for your time today and for inviting me to discuss progress on EDA's implementation of the American Recovery and Reinvestment Act of 2009. I look forward to answering any questions you may have.

Congressman John L. Mica
Questions submitted in writing

to

John Fernandez
Assistant Secretary of Commerce for Economic Development

The House Committee on Transportation and Infrastructure's, hearing on "Recovery Act: Progress Report for Infrastructure Investments" May 26, 2010

1. How many jobs have been created by EDA's Stimulus funds?

Based upon grantee reporting data compiled and posted on FederalReporting.gov, EDA investments helped create or retain 26.27 jobs during the first quarter, 81.05 jobs during the second quarter, and 144.35 jobs during the third quarter.

2. Was it difficult for local governments to come up with matching funds to qualify for EDA assistance?

Section 204 of the Public Works and Economic Development Act of 1965 outlines EDA requirements regarding matching funds. The local match is a critical component of our investment, engaging and leveraging community support and commitment for the project. This statute additionally gives EDA the flexibility to increase the federal share up to 80%, depending on the level of economic distress in the specific community, and 100% in a few specific circumstances. This flexibility is needed in order to respond in situations where the specific community is unable to meet the match requirement.

However, even with this flexibility, EDA has noticed that the impact of the recent economic downturn has negatively impacted the ability of many applicants to provide the match. Of the 68 ARRA projects 3 were approved at an 80% or greater federal share, 20 were approved at a 71 to 80% federal share, 10 were approved at a 61 to 70% federal share, 6 were approved at a 51 to 60 % federal share, and 29 were approved at 50% or less federal share.

3. You testified that EDA has obligated 100% of its Stimulus funds. Why is it that only 21 of the 68 approved projects have been started?

As of June 18, 2010, 52 Recovery Act Investments have broken ground. These 52 investments are worth $116,971,153. EDA anticipates that five more investments will begin construction in the coming weeks. EDA obligated 100% of its ARRA funding by

September 30, 2009. While many of EDA's projects have started, some have been delayed due to weather conditions, issues with contractors, and the time required to select contractors through the bid process. EDA staff are working closely with those investments that haven't started to ensure that they are able to start in the near future.

4. Do you know how many applications were submitted for Stimulus funds?

In FY2009 EDA received 91 applications requesting $211 million in ARRA funds, of which we awarded 68 projects worth $147 million. In FY2010 EDA received 20 additional applications for ARRA funds.

5. What criteria does EDA look at when determining who wins an award? Did EDA use the same criteria in awarding the stimulus funds? Please explain

The criteria utilized to evaluate applications for regular EDAP funding were the same criteria utilized to evaluate applications considered for Recovery funds. The following criteria, as published in the FY 2009 EDAP and ARRA federal funding opportunity with appeared in the Federal Register June 22, 2009, and March 10, 2009 respectively, Projects must:

1. *Be market-based and results driven.*
2. *Have strong organizational leadership.*
3. *Advance productivity, innovation and entrepreneurship.*
4. *Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy.*
5. *Demonstrate a high degree of local commitment by exhibiting:*
   - High levels of local government or non-profit matching share funds and private sector leverage;
   - Clear and unified leadership and support by local elected officials; and
   - Strong cooperation between the business sector, relevant regional partners and local, State and federal governments.

When evaluating a potential Economic Development Assistance Program investment, EDA staff review the project to ensure alignment with the published evaluation criteria and priorities, as well as the project's alignment with the regional planning document, its feasibility, an evaluation of the ability of the applicant to complete the work, the economic distress of the region, the budget, and the ultimate economic impact of the project on the region in terms of private investment and jobs.

6. Does Private capital investment help or hurt a grant application? And if it helps, please explain? If there is more private capital investment, does it ensure greater success?

Private investment is one of many variables considered as part of the deliberation process for an investment. While the absence of anticipated private investment will not disqualify an applicant for funding, EDA believes that projects that exhibit future private investment tend to build stronger regional economies and make better candidates for federal funding. EDA takes into consideration the nature of the local economy when evaluating private investment figures and acknowledges that smaller communities can still have a competitive application with smaller amounts of anticipated private investment.

STATEMENT

OF

ELIZABETH M. HARMAN
ASSISTANT ADMINISTRATOR
GRANT PROGRAMS DIRECTORATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE
THE

HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

"AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
FIRE STATION CONSTRUCTION GRANT PROGRAM"

WEDNESDAY, MAY 26, 2010

Submitted By:
Elizabeth M. Harman
Assistant Administrator
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Chairman Oberstar, Ranking Member Mica, and members of the Committee, my name is Elizabeth Harman and I serve as FEMA's Assistant Administrator for the Grant Programs Directorate (GPD). On behalf of Administrator Fugate, it is a privilege to appear before you today to update the Committee on FEMA's implementation of the Fire Station Construction Grant (SCG) Program as provided for under the American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5).

The ARRA provided $210 million to support the SCG Program's construction and renovation efforts. These efforts will improve the capabilities of the nation's fire service while aiding the economies of many American communities. Under SCG, funds are awarded directly to non-federal fire departments or to state and local governments that fund or operate fire departments. There is no match or cost share requirement, although many grantees have pledged local funding. SCG funds will cover 100 percent of allowable project costs that will provide a direct investment in public safety. Funding under the SCG Program will enable fire departments to replace or renovate unsafe or uninhabitable fire stations. These investments in infrastructure will enable fire departments to enhance fire protection coverage, better protect communities from fire-related hazards and help ensure firefighter safety. In many cases, these projects will also provide an infusion of funding that will support local construction, create jobs and enhance essential services.

To maximize the benefit of ARRA funding, FEMA limited funding for each individual project within a grant application to $5 million. There is no limit on the number of projects that can be included in an application as long as the total amount of the grant does not exceed the $15 million statutory cap set forth by ARRA.

The SCG Program is administered by GPD. Currently, GPD manages over 50 different disaster and non-disaster grant programs and makes over 7,000 individual grants annually. Every grant program GPD develops and administers is marked by a high level of outreach, discussion and collaboration with the communities, individuals, and stakeholders involved. The SCG Program is no different.

In the development of the SCG Program, FEMA worked with fire service professionals representing nine major fire service organizations to develop funding priorities and other implementation criteria. These fire service organizations included:

- The Congressional Fire Services Institute
- The National Volunteer Fire Council
- The International Association of Arson Investigators
- The International Association of Fire Fighters
- The National Fire Protection Association
- The National Association of State Fire Marshalls
- The International Association of Fire Chiefs
- The International Society of Fire Service Instructors
- The North American Fire Training Directors

In keeping with the goals of the ARRA to assist not only the fire service, but also the broader economic revitalization of the communities fire departments serve, FEMA also collaborated with stakeholder organizations representing the nation's towns, cities, counties and states. These groups included:

- The National Association of Counties
- The National Governors Association
- The National League of Cities
- The U.S. Conference of Mayors

On May 29, 2009, FEMA released the grant guidance and application materials for the SCG Program. The application period closed on July 10, 2009. FEMA received 6,025 applications requesting over $9.92 billion.

Applications were reviewed incorporating the funding priorities recommended by the fire service criteria development panel. Factors considered included the benefits the project would bring to the community, a demonstration of the community's and the fire department's financial need, and the improvements the project would bring to the fire department's daily operations.

To help assess a community's economic need, unemployment rates–specifically the change in a community's unemployment rate from 2007 to 2008–were considered. To illustrate this, the average unemployment rate at the end of 2008 for communities receiving an SCG award was 8.33 percent. This compares to an average national unemployment rate for 2008 of 5.8 percent. The average 2007 to 2008 increase in unemployment for communities receiving an SCG award was 3 percent. The average national increase in unemployment for that same period was 1.2 percent[1].

On September 23, 2009, Secretary Napolitano announced the first group of 96 SCG awards. One grantee from that group, the West Seneca Fire District #6 in West Seneca, NY, has since returned the award.[2] The 95 remaining awards funded 102 projects and accounted for $165,398,982 in ARRA funds. On February 3, 2010, DHS announced an additional 14 SCG awards totaling $23,478,963. This brought the total number of SCG awards to 109, seven of which fund multiple projects, and the total amount of ARRA SCG funds awarded to $189,197,945. FEMA expects to award additional ARRA SCG grants within the next few months, including 3 awards totaling $11,931,161. An additional $4,061,894—2.29 percent of the $210 million appropriated—has been retained by FEMA to cover Management and Administration costs in accordance with ARRA, which allowed FEMA to retain up to 5 percent. The reduction in management and administrative costs is allowing additional funding to go to construction of fire stations. The remaining $4,381,894 in ARRA SCG funds is being held in reserve to cover any budget adjustments and additional expenses related to previously awarded grants. Once all current grants are reviewed and are determined to be adequately funded, all remaining SCG funds will be made available for additional SCG awards. At this time, FEMA anticipates that there will be funds available to make several additional SCG awards by July 2010. This information is summarized in the table below.

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[1] Source: U.S. Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population", 2009 Series Id. LNS14000000

[2] The West Seneca Fire District returned its grant of $320,000 after the Fire District received revised cost estimates for the District's project. The revised cost estimates were higher than anticipated and the Fire District terminated the project.

SCG FUNDS AWARDED		
DATE	ACTION	FUNDS
September 23, 2009	95* Awards Made	$165,398,982.00
February 3, 2010	14 Awards Made	$23,478,982.00
June 2010	3 Awards to be Made	Approximately $11,931,161
June-July 2010	Additional Awards will be made depleting remaining funds	$4,381,894 potentially available
*Originally 96 awards were announced on September 23rd. However, one of those awards, to the West Seneca, NY Fire Department, has been returned.		

The Fire Station Construction Grant Program was the first time that GPD was charged with the development and the administration of a major, construction-focused grant program. The administration of such a program required not only the development of program grant guidance and application materials which addressed construction projects, but also the development of accompanying policies and processes regarding environmental reviews, historical preservation reviews and post-award budget reviews. We believe that GPD has successfully met, and continues to meet these challenges.

Following an award, GPD is required by federal law to conduct budget, environmental and historic preservation reviews. These requirements ensure that the awarding agencies as well as award recipients properly manage and account for federal funds and the federal laws regarding environmental protection and historic preservation are met.

The budget review process enables GPD to determine whether grantees have properly explained and documented their funding requests and ensures the awarding agencies and the grantee's compliance with applicable federal laws, OMB's cost and administrative principles, and the grantee's own requirements including regulations and program guidance. During these reviews it is common for grantees to be asked to provide additional information, clarify information provided, modify their budget requests or modify their projects. Budget reviews require a back-and-forth between the awarding agency and the recipient. The speed at which these reviews are completed is dependent on several factors, including agency resources, the volume of awards being reviewed, and grantee responsiveness to agency requests. Each SCG award is required to undergo a budget review. Currently, 90 SCG grants have cleared their budget reviews while 19 are still in the budget review process.

The requirement for environmental and historical preservation (EHP) reviews ensures that the awarding agency determines that federal funds are being spent in a manner consistent with existing federal law governing the protection of the environment and the protection of historic structures and sites. FEMA's EHP reviews are managed by FEMA's Office of Environmental Planning and Historic Preservation. This Office ensures that all FEMA grants – including the station construction grants – meet the requirements of seventeen (17) principal federal environmental and historic preservation laws and Presidential Executive Orders. These include the National Environmental Policy Act, the National Historic Preservation Act, the Endangered Species Act, the Safe Drinking Water Act, EO 11988 Floodplain Management and EO 11987 Wetlands Protection and the Clean Air Act. These and other laws require EHP review on all grant actions.

Federal environment laws also require FEMA to undertake a full Environmental Assessment (EAs). These EAs require a comprehensive examination of the environmental impact and consequences of each project, include 30-day public comment periods, and typically require three to four months to develop and complete. Similarly, projects which were determined to require review under historic preservation laws require FEMA to review materials provided by local and state historic preservation offices to ensure that federal, state and local requirements are addressed. Currently 34 SCG projects have cleared their EHP reviews, including full EAs, while 82 are still in the EHP review process.

There have also been times when SCG projects have encountered locally-driven processes or dynamics which the grantee is required to address before funded projects can be initiated. For example, grantees may be required to obtain approval from local governing bodies before obligating grant funds. It is not unusual for grant funds, although awarded by a federal agency, to be appropriated by a state legislature, county or city council, or other legal authority. There are also federal, state, and local procurement rules which grantees may need to meet and which may add to the time between the award and expenditure of grant funds. This is often the case with capital projects, such as those funded under the SCG initiative.

GPD continues to work expeditiously to implement the SCG initiative and to move projects forward in a timely manner. GPD has placed a high priority on the timely completion of all budget reviews, has worked with FEMA's Office Environmental Planning and Historic Preservation to expedite EHP reviews, and has continued to reach out to our grantees – including proactive technical assistance- to assist them in meeting these requirements. As of today, GPD can report the following regarding the SCG program:

- The total number of grants: 109
- Number of awards awaiting announcement: 3
- The total number of projects funded: 116
- Number of grants which have cleared EHP and Budget reviews and can begin construction: 26
- Number of grants which have cleared EHP but need Budget Review: 8
- Number of grants which have cleared budget reviews but need EHP reviews: 75

Beyond the numbers, it must also be remembered that these funds will make tangible improvements in the health and safety of the firefighters who live and work in those fire stations and in the communities served by those fire stations. Based on the narratives the grantees provided in their applications, the following are just a few examples of the improvements these funds will allow:

Tampa, Florida ($1.6 million): New construction. The Tampa award will provide an additional station to meet increasing service demands in an area where response times are low due to distance to the nearest station. Building this new station will bring 100% of that area well within a five minute response time.

Neenah Menasha Fire, Wisconsin ($1.2 million): New construction. This award will fund the replacement of an existing, structurally unsound, station. The new station will also be located in a location that will provide for increased response times.

Chicago, Illinois ($4.8 million): New construction. These funds will assist in the replacement of an existing structure built in 1936. The deterioration of the current facility's foundation has caused structural instability of the building. Additionally the small size of the structure limits the number of apparatus assigned to this station which responds to over 6226 calls a year. The new structure will allow for up to six apparatus to be assigned to the station thus increasing response times to the surrounding community while providing a safer environment for the firefighters.

Rolling Meadows, Illinois ($1.2 million): New construction. These funds will allow for the construction of an additional firehouse to improve response times and enhance the safety of firefighters and the community. Constructing this station will allow the department to better deploy current staffing and will reduce response times to a heavily populated ever-expanding area of the city.

The overall benefits to be derived by the SCG funds awarded thus far include:

- 45 new fire stations built to meet expanded responsibilities
- 42 currently unsafe fire stations replaced
- 16 currently unsafe fire stations renovated
- 10 fire stations expanded to accommodate 24 hour/7 day coverage
- 6 fire stations expanded to accommodate increased responsibilities

Mr. Chairman, Ranking Member Mica and members of the Committee, thank you again for this opportunity to testify. As we move forward with this initiative, we look forward to providing this Committee with additional information on our progress. I am happy to respond to any questions which you may have.

Question#:	1
Topic:	funds
Hearing:	Implementation of the American Recovery and Reinvestment Act of 2009
Primary:	The Honorable John L. Mica
Committee:	TRANSPORTATION (HOUSE)
Witness:	Elizabeth Harman, FEMA Assistant Administrator of Grant Programs
Organization:	U.S. Department of Homeland Security

Question: Why does FEMA have almost ZERO outlays?

How many jobs has FEMA created with Stimulus funds (zero)? Why?

The obligation of FEMA Recovery Act money has decreased over the past few weeks. Why?

Response: Based on the latest drawdown information, Station Construction Grantees have only drawndown $623,801. There are multiple reasons for the delay in grantees drawing down funding; some of which involve GPD completing required review processes, and some involve state and local difficulties.

Multiple Reviews

For the Station Construction Grants (SCG) post-award budget reviews are required to confirm that grantees have properly explained and documented their funding requests and to ensure FEMA and the grantees are complying with applicable Federal laws, regulations and program guidance. These reviews can lengthen the time between grant award and a recipient's ability to access those grant funds. Another requirement that must be completed before grantees can access funds is the approval of a budget for their proposed project. The negotiation of budget details between our office and a grantee may take several weeks or longer depending on the grantees responsiveness to our requests for additional information or clarification of details. Consequently, grantee access to FEMA Recovery Act money has slowed recently due to the pace of grant budget finalization. FEMA has increased its outreach efforts to encourage grantees to provide the required information. Once the budget finalization process is complete any remaining funds will be put into additional awards. It is anticipated that these additional awards will be made within the next two months.

Federal law also requires Environmental and Historical Preservation (EHP) reviews on all grant-funded projects. The volume of homeland security grant projects requiring EHP review slows the rate at which those projects are cleared to proceed. FEMA has taken

Question#:	1
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Committee:	TRANSPORTATION (HOUSE)
Witness:	Elizabeth Harman, FEMA Assistant Administrator of Grant Programs
Organization:	U.S. Department of Homeland Security

several steps to expedite the EHP review process, including using Federal and contract staff to eliminate a backlog at FEMA Headquarters; hiring an environmental officer to provide on-site approval for EHP actions; and publishing a programmatic environmental assessment (PEA) in the Federal Register which will simplify the review process for both FEMA and grantees and provide several categorical exclusions for GPD grant actions. FEMA also has provided funding for one additional Regional Environmental Officer per FEMA Region to further expedite EHP reviews.

State and Local Budget Difficulties

FEMA grants are reimbursable grants, meaning a grantee cannot draw down money from the Treasury until it already has or is about to make an expenditure. The Cash Management Improvement Act of 1990 establishes that reimbursement requirement and prohibits grantees from drawing down funds more than 33 days prior to expenditures being made. Many state and local laws, meanwhile, require that cash be on hand prior to procurement actions being initiated. As state and local governments and other grantees struggled with the economic downturn, finding money up-front for expenditures has become increasingly difficult. In fiscal years (FY) 2005 through 2008, Congress provided an exemption to the CMIA on an annual basis to allow grantees to draw down funds up to 120 days prior to making expenditures. Few grantees took advantage of this exemption, however, and Congress has not provided the exemption since FY 2008.

It is unknown how many jobs have been created with the Stimulus funds at present. As EHP reviews are completed and grantees receive approval to move forward with their projects job statistics will begin to be reported. By the next reporting quarter there will be measurable results. Although SCG grantees have been unable to report the number of jobs created, grantees have been conducting activities that generate jobs (e.g., hiring environmental consultant firms to prepare required environmental assessments; engineering and architectural firms are preparing building plans/designs for grantees).

Question#:	2
Topic:	construction
Hearing:	Implementation of the American Recovery and Reinvestment Act of 2009
Primary:	The Honorable John L. Mica
Committee:	TRANSPORTATION (HOUSE)

Question: You mention in your testimony that this is the first time the GDP was charged with the development and administration of a major, construction-focused grant program. However, FEMA has a long history and significant experience with construction grants, such as those for Emergency Operation Centers, mitigation grants, and public assistance grants. Why would you need to re-invent the wheel and not use those programs to guide the development of the Fire Construction Grant program?

Response: FEMA reviewed several of its existing programs in the development of the Station Construction Grants Program (SCG). Similar process requirements, such as those pertaining to Historic Preservation reviews for example, were adopted. The development of the selection and award process was modeled after similar programs within FEMA. The challenge was taking pieces of programs utilized by FEMA and tailoring them to fit SCG, given the specific and unique congressionally mandated requirements. Additionally, time was needed to solicit criteria from the fire service. The input from the fire service was critical in the development of the funding priorities for application reviews.

Question#:	3
Topic:	overview
Hearing:	Implementation of the American Recovery and Reinvestment Act of 2009
Primary:	The Honorable Eleanor Holmes Norton
Committee:	TRANSPORTATION (HOUSE)

Question: In your testimony you state that FEMA's Grant Program Directorate manages over 50 disaster and non-disaster programs.

Can you please provide the Committee the following?

A list of these programs

The statutory authority for each program

How much was awarded in grants for each program in the last three fiscal years?

Response: The attached excel spreadsheets depict all of the financial assistance programs that FEMA's Grant Programs Directorate has awarded for fiscal years 2007 through 2009.

These spreadsheets are organized by fiscal year and each spreadsheet identifies the program name, total award amount, number of awards made under that program, as well as the authorizing legislation for each program.

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FY 2007 Total FEMA Awards

	Grant Type	Program	Total Amount Awarded	Total Awards	Authorizing Legislation
1	Assistance to Firefighters	Assistance to Firefighters Grants	$ 170,898,515.00	1935	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
2	Assistance to Firefighters	Assistance to Firefighters Grants (carry-over)	$ 394,440,549.00	4105	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
3	Assistance to Firefighters	Fire Prevention and Safety Grants	$ 37,429,709.00	226	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
4	Assistance to Firefighters	Staffing for Adequate Fire Emergency Response (SAFER)	$ 69,511,568.00	170	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
	Total		$ 672,280,341.00	6436	
5	Preparedness	Homeland Security Grant Program	$ 1,666,459,993.00	56	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53) Post-Katrina Emergency Management Reform Act of 2006 (P.L. 109-295) (6 U.S.C. 723) Homeland Security Act of 2002 (6 U.S.C. 605) (section 2004)
6	Preparedness	Emergency Management Performance Grant Program (EMPG)	$ 193,994,114.00	58	National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.) Reorganization Plan No.3 of 1978 (5 U.S.C. App.) Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
7	Preparedness	Transit Security Grant Program	$ 155,640,463.00	22	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
8	Preparedness	Transit Security Grant Program (Ferry)	$ 7,230,207.00	10	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
9	Preparedness	Port Security Grant Program	$ 202,247,293.00	258	Maritime Transportation Security Act of 2002, as amended (P.L.107-295) (46 U.S.C. §70107)
10	Preparedness	Intercity Bus Security Grant Program	$ 11,640,000.00	39	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
11	Preparedness	Trucking Security Grant Program	$ 11,640,000.00	1	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
12	Preparedness	Intercity Passenger Rail Security Grant Program	$ 8,309,537.00	1	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
13	Preparedness	Operation Stonegarden Supplemental Program	$ 15,000,000.00	8	Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234)
14	Preparedness	Buffer Zone Protection Program	$ 48,500,000.00	46	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
15	Preparedness	Urban Area Security Initiative - Non-Profit	$ 24,007,500	24	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53) Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604) 501(c)(3) of the Internal Revenue Code of 1986, Title 26 of the U.S.C.

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16	Preparedness	**War Supplemental - EMPG	$	50,000,000.00	58	National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.) Reorganization Plan No.3 of 1978 (5 U.S.C. App.) Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
17	Preparedness	**War Supplemental - Port	$	110,000,000.00	97	Maritime Transportation Security Act of 2002, as amended (P.L.107-295) (46 U.S.C. §70107)
18	Preparedness	**War Supplemental - Transit	$	100,000,000.00	20	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
19	Preparedness	Citizen Corp	$	550,000	1	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
20	Preparedness	Public Safety Interoperable Communications Grant Program	$	968,385,000.00	56	The Deficit Reduction Act of 2005, (Public Law 109-171), as amended by Section 2201 of Public Law 110-53, and Section 4 of the Call Home Act of 2006, Public Law 109-459.
21	Preparedness	Homeland Security National Training Program	$	84,076,692.00	16	NPD will be seeking Delegation of Authority from DHS Secretary
22	Preparedness	Homeland Security Preparedness Technical Assistance Program	$	1,549,987.00	4	Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, Public Law 110-329.
23	Preparedness	Competitive Training Grant Program	$	29,089,999.00	12	Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604)
24	Preparedness	Responder Knowledge Base and Lessons Learned Information Sharing	$	9,135,000.00	1	Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604)
	Preparedness Total		**$**	**3,697,455,785.00**	**788**	
25	Disaster	Crisis Counseling	$	4,149,066.59	15	Disaster Relief Act of 1974 and section 416 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (p. 47) 42 U.S.C. 5183
26	Disaster	Other Needs Assistance	$	40,008,409.74	8	Disaster Relief Act of 1974 and section 416 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (p. 47) 42 U.S.C. 5183
27	Disaster	Public Assistance	$	5,098,236,424.31	56	Disaster Relief Act of 1974 and section 416 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (p. 47) 42 U.S.C. 5183
28	Disaster	Hazard Mitigation	$	328,990,598.00	50	Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) Disaster Mitigation and Cost Reduction Act of 1999
	Disaster Total		**$**	**5,471,384,498.64**	**129**	
29	Non-Disaster	Community Assistance Program State Support Services Element	$	7,500,000.00	51	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
30	Non-Disaster	Community Assistance Program State Support Services Element (carry-over)	$	7,454,746.89	52	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
31	Non-Disaster	Chemical Stockpile Emergency Preparedness Grants	$	54,765,851.00	9	National Defense Authorization Act of 2009
32	Non-Disaster	Cooperating Technical Partners	$	57,865,694.44	47	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
33	Non-Disaster	CTP / Map ModerMMS (carry-over)	$	784,503.00	4	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
34	Non-Disaster	Flood Mitigation Assistance	$	17,032,980.89	30	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
35	Non-Disaster	Flood Mitigation Assistance (carry-over)	$	10,705,562.47	7	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,

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36	Non-Disaster	Emergency Food and Shelter National Board	$ 151,470,000.00	1	Title III, McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11331 et seq.) Disaster Relief Act of 1974 and section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162)
37	Non-Disaster	Pre-Disaster Mitigation	$ 30,500,150.77	31	Section 203, Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133) Disaster Mitigation and Cost Reduction Act of 1999
38	Non-Disaster	Pre-Disaster Mitigation (carry-over)	$ 24,527,276.30	29	Section 203, Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133) Disaster Mitigation and Cost Reduction Act of 1999
39	Non-Disaster	Repetitive Flood Claims	$ 6,807,540.00	5	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
40	Non-Disaster	Safe Kids Worldwide	$ 194,731.00	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. §§ 2201 et seq.) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
41	Non-Disaster	Fire Service Hazardous Materials Preparedness and Response	$ 50,000.00	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2006 (6 U.S.C 101 et seq)
42	Non-Disaster	National Fallen Firefighters Memorial Program	$ 350,000.00	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. §§ 2201 et seq.) http://thomas.loc.gov/cgi-bin/bdquery/z?d093:SN01769:@@@L&summ2=m& Homeland Security Act of 2006 (6 U.S.C 101 et seq) http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_public_laws&docid=f:publ295.109.pdf
43	Non-Disaster	Volunteer Fire and Emergency Medical Services (EMS) Resource Initiative	$ 150,000.00	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
44	Non-Disaster	Residential Fire Safety & Fire Sprinkler Initiatives	$ 130,000.00	2	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. §§ 2201 et seq.) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
45	Non-Disaster	Training Resource and Data Exchange	$ 93,000.00	10	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498), Section 21 (a and b), 15 U.S.C. 2201 et seq Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C 101 et seq)
46	Non-Disaster	Degrees at a Distance	$ 69,993.88	7	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
47	Non-Disaster	United South and Eastern Tribes	$ 299,020.00	1	NPD will be seeking Delegation of Authority from DHS Secretary
48	Non-Disaster	Alternative Housing Pilot Program	$ 388,000,000.00	4	Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006, Public Law 109-234.
49	Non-Disaster	National Dam Safety Program	$ 3,212,000.00	49	The Dam Safety Act of 2006 (P.L. 109-460)
50	Non-Disaster	Prevention Advocacy Resources and Data Exchange Program	$ 27,000.00	9	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498), Section 21 (a and b) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
51	Non-Disaster	Firefighter/EMS Outreach, Technology Transfer, Information Dissemination and Technical Assistance	$ 75,000.00	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)

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52	Non-Disaster	National Fire Academy Educational Program/Harvard Fellowship Grant	$	21,800.00	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C §§ 2201 et seq.) Homeland Security Act of 2006 (6 U.S.C 101 et seq)
53	Non-Disaster	NFA State Fire Training Program Grants	$	1,175,940.00	49	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2006 (6 U.S.C 101 et seq)
54	Non-Disaster	Urban Search & Rescue (Preparedness)	$	22,228,000.00	19	Homeland Security Act of 2002, Public Law 107-296; National Defense Authorization Act of FY 1997, as amended by Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 44, Part 208, 42 U.S.C 5121-5206; Defense Aganist Weapons of mass Destruction Act of 1966; Earthquake Hazard Reduction Act of 1977, as amended by , 42 U.S.C 7701 et seq.
	Non-Disaster Total		**$**	**785,490,790.64**	**422**	
	FEMA Grant Total		**$**	**10,626,611,415.28**	**7,775**	

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	Grant Type	Grant Program	Total Amount Awarded	Total Awards	Authorizing Legislation
1	Assistance to Firefighters	Assistance to Firefighters Grant (AFG) Program *	$71,143,026	717	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
2	Assistance to Firefighters	Assistance to Firefighters Grant (AFG) Program (FY 07 Carry Over) *	$321,125,748	3,196	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
3	Assistance to Firefighters	Fire Prevention and Safety Grant Program (FP&S) (FY 07 Carry Over) *	$34,015,203	216	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
4	Assistance to Firefighters	Staffing for Adequate Fire Emergency Response Grant Program (SAFER) *	$7,238,107	10	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
5	Assistance to Firefighters	Staffing for Adequate Fire Emergency Response Grant Program (SAFER) (FY 07 Carry Over) *	$108,909,127	289	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
	Assistance to Firefighter Total		**$542,431,211**	**4,428**	
6	Preparedness	Buffer Zone Protection Program (BZPP) *	$48,575,000	45	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
7	Preparedness	Citizen Corps *	$805,000	2	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
8	Preparedness	Competitive Training Grant Program *	$27,202,000	11	Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604)
9	Preparedness	Emergency Management Performance Grants (EMPG) *	$291,450,000	58	National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.) Reorganization Plan No.3 of 1978 (5 U.S.C. App.) Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
10	Preparedness	Emergency Operations Center (EOC) *	$14,572,500	20	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
11	Preparedness	Freight Rail Security Grant Program *	$7,491,429	6	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
12	Preparedness	Homeland Security Grant Program (HSGP) *	$1,697,313,904	56	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53) Post-Katrina Emergency Management Reform Act of 2006 (P.L. 109-295) (6 U.S.C. 723) Homeland Security Act of 2002 (6 U.S.C. 605) (section 2004)
13	Preparedness	Homeland Security Grant Program - Tribal *	$1,645,000	12	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53) Post-Katrina Emergency Management Reform Act of 2006 (P.L. 109-295) (6 U.S.C. 723) Homeland Security Act of 2002 (6 U.S.C. 605) (section 2004)
14	Preparedness	Homeland Security National Training Grant Program *	$81,959,700	17	Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604)
15	Preparedness	Homeland Security Preparedness Technical Assistance Program (HSPTAP) *	$3,976,000	11	Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, Public Law 110-329.
16	Preparedness	Intercity Bus Security Grant Program *	$11,172,250	49	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
17	Preparedness	Intercity Passenger Rail Security Grant Program *	$25,000,000	1	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
18	Preparedness	Interoperable Emergency Communications Grant Program *	$48,575,000	56	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
19	Preparedness	Mississippi Interoperable Communications *	$20,000,000	1	Earmark in Approps
20	Preparedness	Net Guard Pilot Program *	$320,000	4	Homeland Security Act of 2002 (P.L. 107-296), Section 224
21	Preparedness	Operation Stonegarden Grant Program *	$60,000,000	12	Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234)

Source IFMIS and the Program Offices

Department of Homeland Security Federal Emergency Management Agency
Grant Programs Directorate
FY 2008 Total FEMA Awards

	Grant Type	Grant Program	Total Amount Awarded	Total Awards	Authorizing Legislation
22	Preparedness	Port Security Grant Program (PSGP) *	$388,600,000	150	Maritime Transportation Security Act of 2002, as amended (P.L.107-295) (46 U.S.C. §70107)
23	Preparedness	Real ID Demonstration Grant Program *	$79,675,000	49	REAL ID Act of 2005 (P.L. 109-13) (section 204) (49 U.S.C. 30301 note) Title II: Improved Security for Driver's License and Personal Identification Cards (REAL ID Act of 2005) Division B of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109-13)
24	Preparedness	Real ID Vital Grant Program *	$4,000,000	1	REAL ID Act of 2005 (P.L. 109-13) (section 204) (49 U.S.C. 30301 note) Title II: Improved Security for Driver's License and Personal Identification Cards (REAL ID Act of 2005) Division B of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109-13)
25	Preparedness	Regional Catastrophic Preparedness Grant Program (RCPGP) *	$60,092,500	9	The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28)
26	Preparedness	Systems Support Grant Program (MIPT) *	$2,349,643	2	Disaster Relief Act of 1974 and section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162)
27	Preparedness	Transit Security Grant Program (TSGP) *	$356,108,571	32	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
28	Preparedness	Trucking Security Program (TSP) *	$15,544,000	1	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53)
29	Preparedness	Urban Areas Security Initiative (UASI) Non-profit Security Grant Program *	$15,000,000	20	Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53) Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604) 501(c)(3) of the Internal Revenue Code of 1986, Title 26 of the U.S.C.
	Preparedness Total		$3,261,627,497	625	
30	Disaster	Cora Brown Fund **	$899,211	2	Disaster Relief Act of 1974 and section 416 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (p. 47) 42 U.S.C. 5183
31	Disaster	Crisis Counseling **	$6,606,831	9	Disaster Relief Act of 1974 and section 416 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (p. 47) 42 U.S.C. 5183
32	Disaster	Disaster Case Management Program **	$58,056,246	2	Disaster Relief Act of 1974 and section 416 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (p. 47) 42 U.S.C. 5183
33	Disaster	Hazard Mitigation **	$518,849,962	41	Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) Disaster Mitigation and Cost Reduction Act of 1999
34	Disaster	Fire Management Assistance **	$477,113	3	Disaster Relief Act of 1974 and section 420 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5187) (p. 48)
35	Disaster	Individuals and Households - Other Needs **	$1,065,173,764	36	Disaster Relief Act of 1974 and section 408 (e) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174) (pp. 43-45)

Source: IFMIS and the Program Offices

Department of Homeland Security Federal Emergency Management Agency
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FY 2008 Total FEMA Awards

	Grant Type	Grant Program	Total Amount Awarded	Total Awards	Authorizing Legislation
36	Disaster	Public Assistance **	$1,303,077,113	69	Disaster Relief Act of 1974 and section 689j of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (6 U.S.C. 777)
37	Disaster	United Methodist Committee on Relief (UMCOR) *	$1,624,128	1	Disaster Relief Act of 1974 and section 689j of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (6 U.S.C. 777)
	Disaster Total		**$2,954,864,388**	**163**	
38	Non-Disaster	Association of State Floodplain Managers (ASFM) *	$325,000	1	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
39	Non-Disaster	Certified Emergency Manager Program *	$160,400	1	Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604)
40	Non-Disaster	Chemical Stockpile Emergency Preparedness Program (CSEPP) *	$69,308,579	10	National Defense Authorization Act of 2009
41	Non-Disaster	Community Assistance Program-State Support Services Element (CAP-SSSE) *	$7,862,954	55	National Flood Insurance Act of 1968, as amended, the Flood Disaster Protection Act of 1973,
42	Non-Disaster	Cooperating Technical Partners (CTP) *	$65,068,941	55	National Flood Insurance Act of 1968, as amended,42 U.S.C. 4101; the Flood Disaster Protection Act of 1973 Housing and Urban Development Act of 1969 National Flood Insurance Reform Act of 1994
43	Non-Disaster	Cuban and Haitian Entrance Program *	$9,330,918	2	Refugee Education Assistance Act of 1980, Executive Order Executive Order 12341, January 21, 1982, Public Law 96-422; Economy Act of 1932, 31 U.S.C 1535.
44	Non-Disaster	Degrees at a Distance *	$70,000	7	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq)
45	Non-Disaster	Disaster Donations Management	$375,000	1	Disaster Relief Act of 1974 and the Robert T. Stafford Disaster Relief and Emergency Assistance Act
46	Non-Disaster	Emergency Food and Shelter Program	$153,000,000	1	Title III, McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11331 et seq.) Disaster Relief Act of 1974 and section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162)
47	Non-Disaster	Earthquake Consortium *	$800,000	3	Earthquake Hazards Reduction Act of 1977 (42 U.S. C. 7701 et seq.) as amended by P.L. 101-614, 105-47, 106-503, and 108-360 Homeland Security Act of 2002 (P.L. 107-296) (section 507)
48	Non-Disaster	Earthquake Engineering Research Institute (EERI) *	$36,000	1	Earthquake Hazards Reduction Act of 1977 (42 U.S. C. 7701 et seq.) as amended by P.L. 101-614, 105-47, 106-503, and 108-360 P.L. 95-124
49	Non-Disaster	Earthquake Planning & Preparedness *	$300,000	1	Earthquake Hazards Reduction Act of 1977 (42 U.S. C. 7701 et seq.) as amended by P.L. 101-614, 105-47, 106-503, and 108-360 P.L. 95-124
50	Non-Disaster	Emergency Responder Safety Institute (aka Cooperative Agreement-Cumberland Valley Volunteer Fire Association) *	$50,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
51	Non-Disaster	Emergency Vehicle & Roadway Safety Research & Demo Initiative *	$100,000	1	
52	Non-Disaster	Firefighting Mutual Aid Systems *	$350,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
53	Non-Disaster	Fire Safety Inspections of Hotels and Motels *	$40,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)

Source: IFMIS and the Program Offices

Department of Homeland Security Federal Emergency Management Agency
Grant Programs Directorate
FY 2008 Total FEMA Awards

	Grant Type	Grant Program	Total Amount Awarded	Total Awards	Authorizing Legislation
54	Non-Disaster	Fire Service Hazardous Material Preparedness & Response Grant *	$50,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
55	Non-Disaster	Flood Mitigation Assistance (FMA) **	$41,761,082	34	National Flood Insurance Act of 1968 (42 U.S.C. 4104) Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 6196c)
56	Non-Disaster	Harvard Fellowship Grant *	$21,800	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
57	Non-Disaster	Home Fire Sprinkler Coalition *	$50,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
58	Non-Disaster	National Association of Flood & Stormwater Management Agencies *	$100,000	1	[illegible]
59	Non-Disaster	National Center for Missing and Exploited Children *	$460,000	1	Title IV of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, the Missing Children's Assistance Act of 1984
60	Non-Disaster	National Emergency Management Association (NEMA) *	$5,115,893	4	Disaster Relief Act of 1974 and section 420 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5187) (p. 48)
61	Non-Disaster	National Dam Safety (NDS) *	$3,166,846	49	The Dam Safety Act of 2006 (P.L. 109-460)
62	Non-Disaster	National Fallen Firefighter Memorial Program *	$387,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
63	Non-Disaster	National Incident Management System (EKU) *	$7,300,000	1	Homeland Security Presidential Directive (HSPD) - 5, February 28, 2003
64	Non-Disaster	National Incident Management System (NIMS) ICS Training *	$700,000	1	Homeland Security Presidential Directive (HSPD) - 5, February 28, 2003
65	Non-Disaster	National Incident Management System (NIMS) Mutual Aid Systems *	$750,000	1	Homeland Security Presidential Directive (HSPD) - 5, February 28, 2003
66	Non-Disaster	Map Modernization Management Support (MMMS) *	$4,712,571	42	Incorporated in Cooperating Technical Partners Program
67	Non-Disaster	Pre-Disaster Mitigation **	$129,280,560	47	Section 203, Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133) Disaster Mitigation and Cost Reduction Act of 1999
68	Non-Disaster	Prevention Advocacy Resources and Data Exchange (PARADE) *	$24,000	8	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
69	Non-Disaster	Repetitive Flood Claims **	$8,610,039	8	National Flood Insurance Act of 1968, as amended (42 U.S.C. 4102a and 4030) (Sections 1361A and 1323) Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 6196c)
70	Non-Disaster	Residential Fire Safety *	$80,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
71	Non-Disaster	Safe Kids *	$200,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
72	Non-Disaster	Severe Repetitive Loss (SRL) **	$34,965,144	7	National Flood Insurance Act of 1968, as amended (42 U.S.C. 4102a) Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 6196c)
73	Non-Disaster	State Fire Training Systems Grants *	$1,400,000	50	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)

Source: IFMIS and the Program Offices

Department of Homeland Security Federal Emergency Management Agency
Grant Programs Directorate
FY 2008 Total FEMA Awards

	Grant Type	Grant Program	Total Amount Awarded	Total Awards	Authorizing Legislation
74	Non-Disaster	Training Resource and Data Exchange (TRADE) Grants *	$93,000	10	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
75	Non-Disaster	United South and Eastern Tribes Emergency Mutual Compact Development Project *	$299,250	1	Homeland Security Act of 2002 (P.L. 107-296) (section 2003) (6 U.S.C. 604)
76	Non-Disaster	Urban Search and Rescue Activations *	$8,489,659	23	Homeland Security Act of 2002, Public Law 107-296; National Defense Authorization Act of FY 1997, as amended by Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 44, Part 208, 42 U.S.C 5121-5206; Defense Aganist Weapons of mass Destruction Act of 1966; Earthquake Hazard Reduction Act of 1977, as amended by ,, 42 U.S.C 7701 et seq.
77	Non-Disaster	Urban Search and Rescue Preparedness *	$28,982,012	28	Homeland Security Act of 2002, Public Law 107-296; National Defense Authorization Act of FY 1997, as amended by Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 44, Part 208, 42 U.S.C 5121-5206; Defense Aganist Weapons of mass Destruction Act of 1966; Earthquake Hazard Reduction Act of 1977, as amended by ,, 42 U.S.C 7701 et seq.
78	Non-Disaster	Volunteer Fire & Emergency Medical Services Resource Initiative Grant *	$150,000	1	Federal Fire Prevention and Control Act of 1974 (P.L. 93-498) (15 U.S.C. 2201 et seq) Homeland Security Act of 2002 (P.L. 107-296)(6 U.S.C. 101 et seq)
	Non-Disaster Total		$584,346,748	465	
	FEMA Grant Total		$7,343,289,824	5,681	

* Verified in IFMIS
** Verified by the Program Office (grant numbers not provided and could not be verified in IFMIS)

Note: The following programs did not have awards in FY08:
Preparedness: Public Safety Interoperable Communications Grant Program (PSIC)
Disaster: The Alternative Housing Pilot Program, Debris Removal Insurance, and Case Management

Department of Homeland Security Federal Emergency Management Agency
Grant Programs Directorate
FY 2008 FEMA Direct Assistance

	Direct Assistance	Direct Assistance Program	Total Amount Awarded	Total Awards
1	Direct Assistance	NFA Training Assistance ***	$1,489,932	1
2	Direct Assistance	Community Disaster Loans ***	$4,441,995	4
3	Direct Assistance	Disaster Unemployment Assistance ***	$20,340,238	61
4	Direct Assistance	Disaster Legal Service ***	$95,000	19
5	Direct Assistance	Disaster Housing Operations for Individuals and Households ***	$634,627,423	93
6	Direct Assistance	Disaster Housing Assistance Program ***	$277,187,121	1
7	Direct Assistance	System Assessment and Validation for Emergency Responders ***	$3,022,489	3
8	Direct Assistance	Commercial Equipment Direct Assistance Program ***	$20,250,000	1
9	Direct Assistance	Emergency Management Institute Residential Educational ***	$3,215,771	1
10	Direct Assistance	Emergency Management Institute Training Assistance ***	$1,308,223	1
	Direct Assistance Total		$965,978,192	185
	FEMA Grant and Direct Assistance Total		$8,309,248,015	5,866

*** Relied upon Direct Report of Regions and/or Program Offices.

Note: The following Direct Assistance programs did not have awards in FY08:
Reimburse Firefighting on Federal Property
Emergency Management Institute Independent Study

Note: The NFA Education program was reported to be the same as the Harvard Fellowship Grant which was already included in the Non-Disaster Grant Category in the same amount. It was not included in the Direct Assistance Category in order to avoid duplication.

TESTIMONY OF

CRAIG E. HOOKS
ASSISTANT ADMINISTRATOR FOR ADMINISTRATION AND RESOURCES MANAGEMENT
U.S. ENVIRONMENTAL PROTECTION AGENCY

BEFORE THE
TRANSPORTATION AND INFRASTRUCTURE COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES
May 26, 2010

Chairman Oberstar, Ranking Member Mica, and Members of the Committee, thank you once again for providing me with the opportunity to appear before you today to discuss the U.S. Environmental Protection Agency's (EPA's) progress in implementing the American Recovery and Reinvestment Act of 2009 (Recovery Act).

Background

Since February 2009, EPA has worked diligently to ensure that Recovery Act funds are used efficiently and effectively to help rebuild critical infrastructure in some of our neediest communities; invest in jobs that would put our citizens back to work; improve public health and the environment, and provide lasting benefits to our economy.

EPA received $7.22 billion for programs administered by the Agency to protect and promote both green jobs and a healthier environment. These programs include the Clean Water State Revolving Fund, the Drinking Water State Revolving Fund, the Superfund Program, the Brownfields Program, the Leaking Underground Storage Tank Program, and the Diesel Emission Reduction Programs.

As I reported to you when I appeared before the Committee in February, we worked hard to meet the deadlines to distribute 100 percent of the funds to our partners to clear the way for rapid investments in construction, land reuse and redevelopment. With that task behind us, we closely monitored expenditures, tracked how quickly cleanup and construction projects are completed, and documented environmental and economic achievements. The news is good.

Jobs Created

According to the latest data, recipients of EPA Recovery Act funds reported more than 9,600 direct jobs as of March 31. This is a significant increase from the December 31, 2009 report where approximately 6,800 jobs were reported. We have seen an increase of 2,800 reported new jobs in just three months, the majority coming from State Revolving Fund projects. We are very encouraged by these numbers and believe they will continue to grow.

Many of the job sectors are benefiting from Recovery Act funds. The work includes cleanup operation and management, laboratory sampling and analysis, hazardous waste disposal and management, construction and monitoring equipment rental, water and soil treatment, and environmental engineering and management.

We are encouraged by the number of new jobs being supported through Recovery Act funding, particularly those aimed at training individuals to pursue environmental careers. One such example comes from a three year, $500,000 Brownfields Job Training grant given to Florida State College in Jacksonville (FSCJ). Through this grant, students recruited from targeted Brownfields communities within the City's Empowerment Zone, have an opportunity to learn how to do environmental cleanup activities. On February 26, 2010, 22 of the 24 students graduated from the first job training course. Six of those graduates had jobs within two weeks of graduation. One student received a two year scholarship funded by the FSCJ Foundation's scholarship program. That award will enable the graduate to pursue a degree in environmental science.

Implementation Progress

Of the $4 billion provided to the Clean Water State Revolving Fund (CWSRF), states and tribes played a critical role in selecting projects, dispersing funds, and overseeing spending. They selected funding priorities based on both public health and environmental factors, in addition to readiness to proceed to construction capability. As of March 31, 2010, 90 percent, or 1,585 of the non-tribal CWSRF projects have started construction and 58 are complete. Thirty tribal projects are under way and nine projects are already completed.

The Superfund program received $600 million in Recovery Act funds with the overall objectives to initiate and accelerate cleanup at National Priority List sites, maximize job creation and retention, and provide environmental and economic benefits. We are achieving these objectives by starting new cleanup projects, accelerating cleanups at projects already underway, increasing the number of workers and activities at cleanup projects, and returning affected sites to more productive use. Currently, 46 Superfund sites have initiated on-site construction with new or ongoing projects, with the five remaining Recovery Act funded Superfund sites commencing work within the next two months. Twenty-seven percent, or $165 million of the

$600 million has been specifically obligated to sites in rural areas. Twenty percent of Superfund sites have achieved construction completion and at 60 percent of the sites, human exposures are now under control.

Of the $100 million allocated for the Brownfields Program to assess and clean up contaminated land for redevelopment or reuse, assessments are complete for 233 properties. We are currently processing $10.75 million in loans and sub-grant activity for Brownfields Revolving Loan Fund grantees.

Environmental Success Stories

We are already seeing numerous examples of how Recovery Act funds are responsible for environmental success stories across the nation. I would like to begin by talking about a Recovery Act project that embodies several of the top priorities of EPA Administrator Lisa Jackson including protecting America's waters, cleaning up communities, and working for environmental justice. As you know, in many urban cities, surrounding rivers, streams and creeks face multiple types of stressors. Trash and litter, along with other pollutants threaten urban waterways, such as Indian Creek and Cobbs Creek in Pennsylvania. Sometimes people are responsible for the problem, but more often, pollution comes from runoff from paved surfaces during heavy rains and snowmelt.

Although there are federal and state environmental laws to protect these waterways, EPA and the states cannot do it alone. That is why projects led by local grassroots organizations that engage citizens are so important. On a recent visit to Cobbs Creek Park, I was able to see how residents of this West Philadelphia community have come to love and enjoy this natural space for many years. I was also very impressed to see how Recovery Act funds, focusing on green infrastructure, are helping to empower local residents to take important and critical steps to protection their communities. Planting trees, cleaning up trash and debris, and removing invasive plant species from around a creek may seem like simple tasks, but they are going a long way in helping Indian Creek and Cobbs Creek recover from years of neglect. It was especially encouraging to see how Recovery Act funds are being put to good use to enhance this community's knowledge about environmental issues and to advance efforts to address environmental injustice.

Another example of an ARRA funded, CWSRF project that is underway, comes from the city of Redondo Beach, California. Work has begun on the Alta Vista Park Diversion and Reuse Project. This project will protect coastal waters from urban storm water runoff – the primary cause of coastal water pollution in Southern California. Storm water is being collected, treated and used to irrigate Alta Vista Park. Excess storm water, not needed for irrigation, will be infiltrated into the ground, helping to reduce discharges to the ocean and environmental impacts to the beach south of the Redondo Beach Municipal Pier.

Recovery Act money is making a real difference in communities including several Brownfields projects in Camden, New Jersey. Recently, I had the opportunity to visit this area as well, and to personally experience and see the environmental conditions found in Camden, the spirit of its residents, and the progress EPA has made in cleaning up areas for reuse by this community.

Camden has a population of almost 80,000 people. It is a city of many historic firsts, including the first commercial recording studio, color television, and drive-in movie theater. During World War II, it was home to the largest, most productive shipyard in the world. Today, this eight square mile, densely populated municipality contains many Brownfields sites. The majority of these sites contain petroleum contamination and other hazardous wastes associated with volatile organic compounds. These substances can cause eye, nose, and throat irritation and damage to the liver, kidney, and central nervous system. There are also extensive heavy metals in this area including, the cancer-causing hexavalent chromium. These substances are found throughout the soils and groundwater.

Four hundred thousand dollars of Brownfields Recovery Act funds will enable the Camden Redevelopment Agency to conduct environmental site assessments and support community outreach activities in this area. The area of focus includes the Interstate 676 and Federal Street Corridors, where about 54 percent of families live below the poverty level and 80 to 90 percent of residents are minorities.

On a 3 acre property along Federal Street, two buildings used for the manufacturing of steam heating supplies in the early 1900s stand idle. In the mid 1900s, a series of oil and water based printing ink manufacturers used the property. The last manufacturer on the property shut down its operations in 1981 and the area has remained an unused eyesore ever since. Thanks to Recovery Act funding, Brownfields assessments will help to facilitate cleanup, eventual property reuse as a light industrial park, and address some of the environmental justice issues facing this community.

As I mentioned earlier, Recovery Act funding has helped EPA's Superfund response. One such example is in Coeur d'Alene, Idaho. This Superfund cleanup consisted of removing lead and arsenic contaminated soil and gravel and replacing it with clean soil, gravel or asphalt. By utilizing more than 75 percent of the $16.8 million in Recovery Act funds allocated to this project, we cleaned up 260 properties, more than doubling clean up activities completed during the previous construction season.

In addition to the environmental benefits, these funds created jobs in a community that has been suffering from high unemployment for over twenty years. Contractor jobs included laborers, heavy equipment operators, and truck drivers hired from the area to work for two locally based contracting companies. The creation or retention of these livable wage jobs helped dozens of local families stay in their community. The funds for this project also went for equipment rentals, fuel, soil and gravel supplies, and other materials purchased locally or regionally, further stimulating the economy of northern Idaho.

Just as Camden, New Jersey has benefited from Brownfields funding, Camden along with Gloucester City, also received funding for both Superfund Remedial Design and Remedial Action activities. This $22 million project is helping to clean up the radiologically contaminated soils around the former General Gas Mantle Facility in Camden. EPA and the State of New Jersey have reduced the immediate risks at the site from gamma radiation by installing shielding on some of the properties, removing elevated surface contamination from several residential properties and a public park, and demolishing the former General Gas Mantle building in Camden. To address long term exposure risks, EPA has plans to complete the cleanup of the radiological contamination on more than 100 properties in residential areas in Camden and Gloucester City.

Economic Recovery

Recovery Act funds have made a difference in helping to create new and retain existing jobs needed to move EPA's Clean Water State Revolving Fund, Brownfields Program and Superfund Program projects forward. They also have brought a new level of attention to the need for more green jobs. As a result of Recovery Act funds, many more individuals and communities have a better appreciation for, interest in, and training suited for green jobs than ever before.

In addition to helping to provide immediate and direct sources of employment for individuals involved in environmental clean up and construction work, many of these Recovery Act funded projects provide an additional level of employment support and economic stimulus for the many industries, manufacturers, and suppliers that provide materials used in the construction and clean up process.

Other environmental outcomes associated with environmental clean up and construction projects, especially those associated with the Brownfields Program and Superfund Program, are that they provide an economic opportunity for an area in need. A building or home on polluted or contaminated property does not sell. It stagnates along with the economy of that area. When a community is free from pollution, property owners have something of value to sell and land that has lain barren and unused becomes ripe for redevelopment, bringing new industries, companies, small business and jobs to an area. Environmental renewal provides an economic boost to everyone.

When we use the Clean Water State Revolving Fund to make our nation's water resources clean and safe, the economy also benefits. Developers and businesses find they have more attractive incentives to encourage them to build and locate their facilities in healthy and pollution free communities. Most importantly, all Americans benefit when they can work, live, and enjoy recreational activities in communities that have met water quality standards.

Conclusion

EPA was fortunate to have received more than $7 billion in Recovery Act funding to support a number of important environmental programs that have helped to improve the health, safety, and quality of life for countless Americans. Funds used to support EPA's work under the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Superfund, Brownfields, Leaking Underground Storage Tank, and Clean Diesel programs are achieving real results.

Recovery Act funds were used for 9,600 jobs, in the last reporting cycle as reported by recipients, including many new green jobs in emerging technologies. We are seeing measurable improvements in our environment as our states, communities, and other partners work side by side with us to reduce the impact of storm water on our wastewater systems and to assess, clean up, and return communities to a state where they are safe and poised for redevelopment. Our work in this area has been very beneficial in some of the nation's neediest communities and populations – communities where environmental justice issues have gone unaddressed for many years.

We are pleased with the rate in which our partners have been able to place Recovery Act funds under contract and begin construction on numerous projects across the nation. Over the next six months we anticipate many new project starts, more job creation, and other success stories where there are measurable public health and environmental results.

We look forward to continuing our work with this Committee, our partners, and the public to ensure an economically and environmentally healthier country for all Americans.

Thank you again for inviting me to testify here today, and I look forward to answering your questions.

USEPA's Answers to Congressman Mica's Questions

Question 1: 50% of the Clean Water State Revolving Fund (CWSRF) Recovery Act dollars are not required to be repaid. Normally $0.75 on the dollar is repaid to the State Revolving Fund over 10 years. In the case of the Recovery Act dollars that don't have to be repaid to the fund, there's no recapitalization of the funds. Essentially, the EPA has turned the State Revolving Fund into a simple grant program. Is that the intention of the Stimulus bill?

Answer 1: The American Recovery and Reinvestment Act (Recovery Act) specifically requires at least 50% of the funds appropriated for the CWSRF to be provided to recipients in the form of additional subsidization, such as principal forgiveness, negative-interest loans, or grants.

Question 2: How has the balance of the CWSRF been affected since the Stimulus permits half of CWSRF to be given away as grants?

Answer 2: The Recovery Act specifically requires at least 50% of the funds appropriated for the CWSRF to be provided to recipients in the form of additional subsidization, such as principal forgiveness, negative-interest loans, or grants. Approximately 75% of the Recovery Act funding has been provided as additional subsidization and will not be repaid back into the CWSRF. As a result, the Recovery act will add no more than roughly $1 billion to the balance of the CWSRF.

Question 3: How many jobs have been created by EPA's stimulus funds?

Answer 3: For the most recent completed reporting period of January 2010-March 2010, (Quarter 1), recipients of EPA stimulus awards have reported more than 9,600 jobs.

Question 4: Stimulus funds have Buy American and Davis-Bacon restrictions attached. According to a February GAO report, while it does not appear that Buy American and Davis-Bacon have resulted in project delays, state and local officials have identified serious concerns about the impact of these requirements. Is the EPA providing guidance or technical assistance to state or local governments to help them expedite the Buy American and Davis-Bacon process?

Answer 4: At EPA, the Buy American provision has primarily affected the Clean Water and Safe Drinking Water State Revolving Fund programs. For those programs, EPA has provided extensive Buy American guidance and technical assistance to State and local governments. This includes:

- Issuing detailed Buy American guidance memoranda and Questions and Answers, which are posted on EPA's Recovery Act website;
- Establishing a Cross-Agency Working Group to discuss pending Buy American waivers requests and provide advice to assistance recipients and States on Buy American questions;
- Issuing three widely-applicable nationwide waivers to streamline the Buy American waiver process;
- Holding detailed webcasts for States, utilities, municipalities, consulting engineers, contractors, suppliers, and manufacturers on key facets of Buy American implementation; and
- Hosting numerous compliance workshops across the country for State programs, assistance recipients, and contractors.

EPA has also provided extensive guidance and training on the Davis-Bacon Act. This includes:

- Issuing Davis-Bacon Act terms and conditions, approved by the Department of Labor, for each of the EPA's Recovery Act grant programs;
- Conducting Davis-Bacon Act webinars for each of the Agency's Recovery Act grant programs to educate both EPA personnel and State and local governments on Davis-Bacon Act requirements;
- Establishing a network of Davis-Bacon Act Coordinators in EPA's regional offices to provide assistance to States, local governments and other recipients;
- Issuing Questions and Answers on Davis-Bacon Act issues and holding monthly conference calls with State Davis-Bacon Act contacts;
- Establishing a process for recipients to request exceptions from non-statutory or non-regulatory requirements in the Agency's Davis-Bacon Act terms and conditions to provide appropriate flexibility in Davis-Bacon Act implementation; and
- Hosting numerous compliance workshops across the country for State programs, assistance recipients, and contractors.

Question 5: All Stimulus recipients must comply with Section 1512 and report on how many jobs they created, saved, or retained. Many Stimulus recipients are confused about how to report this information and are getting different guidance on how to report, depending on which agency they talk to. How is EPA verifying all the job reporting data to ensure accuracy?

Answer 5: In late December, the Office of Management and Budget (OMB) issued revised jobs reporting instructions to assist recipients in calculating jobs created and retained. In their guidance, OMB provided an objective means to calculate jobs by capturing payroll hours logged divided by hours worked. This methodology removed subjective estimating on the part of stimulus recipients.

Prior to the most recent reporting period, EPA developed and made available to its recipients clear instructions on OMB's jobs calculation guidance.

While recipients are not required by the Recovery Board and OMB to provide the payroll hours and work schedule hours used to calculate jobs to the federal government, EPA does use a variety of means to assess recipient reported jobs numbers. During the allowable federal review period, EPA examines the following:

- Ensures jobs created or retained are identified as those funded by the Recovery Act and not by other appropriations;
- Ensures the jobs calculation uses Recovery Act funded work hours during the current reporting quarter;
- Reviewers are instructed to focus on identifying reports that are significant outliers in terms of number of jobs relative to Recovery Act expenditures, comparing similar projects within their programs. If needed, recipients are asked for clarifications or corrections. Clarifications are requested either informally, or through the formal comment process on federalreporting.gov;
- Reviewers are asked to examine reports listing positive job creation/retention with no expenditures, and expenditures with no jobs created/retained to highlight potential outliers and anomalies;
- Finally, recipients are invited to provide additional explanation or to elaborate on their job information in the narrative field provided in the 1512 reporting forms. This information helps EPA's reviewers in verifying some of the jobs data provided by recipients, and many recipients provide greater details in this section that help to explain and justify the jobs information they submit in their quarterly reports.

Question 6: GAO recommends EPA work with the States to implement specific oversight procedures to monitor and ensure recipients' compliance with Recovery Act requirements. What sorts of oversight procedures does EPA plan to implement with the States?

Answer 6: EPA has developed an oversight plan for SRF Recovery Act funded projects. The plan includes the following elements:

- EPA will conduct two State SRF program reviews per year, which will include the examination of four project files per program and four Federal cash draw transaction tests;
- EPA will conduct at least one SRF site inspection per State each year to ensure adequate compliance with Recovery Act requirements and construction progress;
- EPA will monitor State SRF inspections and ensure that any findings are immediately relayed to EPA Headquarters;

- State SRF programs are, at a minimum, expected to conduct at least one site inspection per project per year; and
- EPA will continue to provide training and workshops for States and contractors and host nation-wide webcasts with assistance recipients on Buy American and Davis-Bacon provisions.

USEPA's Answers to Chairman Oberstar's Questions

Question 1: What lessons can we learn from the ability of all States to meet the requirement that all Recovery Act funds available for Clean Water State Revolving Fund (SRF) projects be under contract within one-year of the date of enactment (February 17, 2010)?

Answer 1: Well established programs like the CWSRF are well suited to implementing economic stimulus. Twenty three years of experience allowed State programs to quickly react to increased funding levels, actively solicit for new projects, and respond to the need to invest in our communities and stimulate the economy;
The need for investment in clean water infrastructure is high. Even with historically high capitalization grants and an accelerated pace for contracting, States were able to place all funds under contract.

Question 2: What lessons have we learned from the ability of the EPA and States to implement the Buy American and Davis-Bacon provisions for Recovery Act Clean Water SRF projects?

Answer 2: The ability of EPA and States to implement the Buy American and Davis-Bacon provisions shows the high degree of flexibility in the CWSRF program. The program was able to incorporate new provisions and meet stringent deadlines successfully due to the engagement of EPA and State staff at all levels of the program, from management down to contractors on the ground. All involved understand the urgency to help provide needed infrastructure to communities around the country while quickly signing contracts to help get Americans back to work.

Good Morning,

With a population of six, a road 22' wide, and a traffic rate of 2.5 cars/hour Morses Line is not a critical port facility. This is a part time station, where for 8 hours of every day a gate, electronic surveillance, and Border Patrol agents secure the international boundary. Neither the American nor Canadian governments permit commercial traffic and there are additional ports of entry just 11 miles west and another 10 miles east.

My family learned that DHS was considering a new LPOE at Morses Line more than a year ago, when a Right of Entry arrived by overnight mail. My parents requested a meeting, at which we were told not to worry, that this was just a 12 month study. Sixteen weeks later DHS allocated $15,669,565 for the project. Contractors began to survey our fields, land that has remained in and provided for my family since 1946.

Our farm is small by today's standards, we have a mere 80 cows in the milking herd. But the family farm is a vanishing icon throughout rural America, and an endangered species in Vermont. My state had more than 20,000 family farms in 1945, today just over 1,100 remain. My family has been at Morses Line for three generations, stewards of a working landscape in good years and bad, but never imagined that an agency of the federal government would attempt to smother our American dream.

I thank Vermont's Congressional delegation, which has consistently raised critical questions about this project. Senators Leahy and Sanders, and Congressmen Welch, have served us well. Senator Leahy used the opportunity of a Senate Judiciary Committee hearing to raise the matter of Morses Line, obtaining a pledge from Secretary Napolitano to hold the 1st public hearing on this matter.
But I have no praise for DHS planners, who moved ahead with plans for a new Morses Line facility with the full knowledge that it had nothing to do with national security. DHS had money to spend, and assumed my family would literally leave the field.

The agency's environmental assessment is a perversion of the scientific method, for it twists or omits data to support a false premise of "no impact." Land DHS describes as a "vacant lot" was shown by their own soil tests to be farmland of statewide importance. These deep soils, the lifeblood of our farm, are safeguarded by the Farmland Protection Act of 1981, Vermont's Act 250, and local zoning regulations. Although the local business most affected is our farm, it is strangely absent from the report, the land divided into Rainville West and Rainville East - rather than treated as a cohesive and productive whole. Despite the report's assertion, we have no surplus property, no extra land.

For sixteen years I've taught American history, explaining to hundreds of students that we have a responsive government, that it was created to protect rights and property. In 1983 CBP determined the low volume, aging, and duplicate facility at Morses Line was eligible for closure. DHS's own experts said as much again last October, but this time they noted that no comprehensive study had ever been undertaken to evaluate existing land ports of entry. The agency was treating money as a bottomless pit, and they aimed to pour concrete at Morses Line.

That must be why they refused our repeated requests for the traffic count, which we obtained through a Freedom of Information Act request.

On April 12, 2010 DHS informed my family that we had 60 days to voluntarily sell "land historically associated with the Rainville farm" or face an eminent domain action. All this came just four months before their stimulus fund allocation will expire. DHS evoked the specter of eminent domain to intimidate my family, and they did not anticipate a national outcry. That the agency's own retirees rose at a public meeting to speak in favor of closing the port of entry at Morses Line says much about the transparency of its motives.

I was born and raised in an America that Norman Rockwell would recognize. I learned how to fold a flag from a Woman's Army Corps nurse, and the meaning of sacrifice from a Gold Star mother. My mother instilled the importance of community service and my father the necessity of honest work. Together they explained the difference between want and need. I ask this committee to do the same for DHS - reminding the agency that they work for the American people, who must someday repay these stimulus funds with interest.

Thank you for this opportunity to testify. Tonight I return to Vermont, with hopes of once again becoming a teacher rather than the lesson. Not that my students are objecting to a quiet morning in the auditorium, watching this testimony via the internet. But I remain deeply concerned about the growing misuse of eminent domain, but know this Congress has the power to discipline an overzealous federal agency - which I fear is still smarting from it's last trip to Vermont.

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DEPARTMENT OF THE ARMY

COMPLETE STATEMENT

TERRENCE C. SALT

PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE ARMY

(CIVIL WORKS)

BEFORE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

UNITED STATES HOUSE OF REPRESENTATIVES

ON

RECOVERY ACT:

PROGRESS REPORT ON WATER INFRASTRUCTURE INVESTMENT

May 26, 2010

Mr. Chairman and distinguished members of the Committee, I am Terrence C. Salt, Principal Deputy Assistant Secretary of the Army (Civil Works). Thank you for the opportunity to testify before the Committee today and discuss the U.S. Army Corps of Engineers implementation of the Civil Works appropriations within the American Recovery and Reinvestment Act of 2009 (Recovery Act) .

The Corps has made and continues to make great strides to accomplish Recovery Act goals through the development and restoration of the Nation's water and related resources activities protecting the Nation's regulated waters and wetlands and cleaning sites contaminated from early efforts to develop atomic weapons. The execution of Corps of Engineers Civil Works projects through Recovery Act funding strongly contributes to the Nation's safety, economy, environment, and quality of life. It is well known that the Corps has had a backlog of critical infrastructure work for many aging structures, many that are well over 50 years old. The Recovery Act funds have enabled the Corps to accelerate repair and improvement of many projects, thereby mitigating to some extent the risk to American lives and property and putting many Americans to work.

Work the Corps has underway includes repairing or improving 48 locks and 236 commercial ports to reduce the risk of failures that would disrupt navigation and be detrimental to the American economy. In addition, 35 Hydropower projects are being repaired or improved to avoid disruptive power outages, mainly in the Northwest region of the United States. What the Corps is doing with Recovery Act funds is not only a short term stimulus, but also a long term contribution to the stability of the American economy and the well being of the Nation's citizens.

The $4.6 billion appropriated for Civil Works is identified for specific projects and activities. As of April 30, 2010, financial obligations are over $3.5 billion, with $3.1 billion being accomplished by contract. The balance is for temporary hired labor and administration and oversight of contracts. Total outlays, primarily comprising payments made to contractors for work completed, have reached nearly $1.4 billion.

Of the 830 Civil Works projects planned, 800 are underway and over 150 projects are complete. Work is underway or completed for 284 navigation projects, 304 flood risk management projects, 143 environmental restoration projects, 148 environmental infrastructure projects, and 35 hydropower projects, as well as inspection of 820 levees.

The Corps has awarded over 4,400 contract actions including 3,283 or 73 percent awarded to small businesses. Almost $1.4 billion or 44 percent of the total dollar value has been awarded to small businesses. This small business achievement greatly contributes to the intent of the Recovery Act by putting Americans to work. In addition, larger companies receiving Civil Works contracts are encouraged to hire local small business as their sub-contractors.

A major objective of the Recovery Act is to create jobs. Recipients of Civil Works funds report approximately 6,700 jobs created or retained for the 3rd reporting quarter, expressed as an annual rate in full-time equivalent work years. In addition to direct job support, Civil Works investments support numerous indirect jobs in industries supplying material and equipment. Additionally, jobs are supported as direct and indirect income generates increased consumer spending.

The Corps of Engineers plays a critical role in the economy of the United States. The Corps operates 650 dams that provide flood risk management, navigation, water storage, hydropower and recreation. The waterways and ports served by the Corps serve 41 States including all states east of the Mississippi. The Corps maintains 12,000 miles of commercial inland waterway channels and over 900 harbors. In 2008, the value of foreign commerce handled at U.S. ports was $1.6 trillion. The Corps operates 350 generating units that generate 24% of the Nation's hydropower capacity with a repayment to the U.S. Treasury estimated at $800 million. The Corps ranks #1 among Federal providers of outdoor recreation with 370 million visitations per year. This is a just a short synopsis of the Corps' responsibility and critical importance to the health of the Nation's economy. Recovery Act funds provided to the Corps of Engineers has not only put Americans to work, but has been a tremendous asset to the undertaking of much needed project repair and maintenance of the Nation's infrastructure.

At the last hearing before this Committee, Ms. Darcy spoke about the planned opening of the Veterans Curation Laboratory in Washington, DC. On March 31, 2010, Ms. Darcy attended the opening of this Veterans Curation Project Laboratory. This Lab is the third of three ARRA-funded facilities. The other two are in Augusta, Georgia, and St. Louis, Missouri. Each facility provides returning and disabled former service members with training in a variety of skills while working for the Corps to catalogue and preserve an extensive collection of artifacts.

On February 26, 2010, a woman-owned small business completed installation of the first of nine solar electricity systems planned for Corps projects under the jurisdiction of the Sacramento District in Northern California, including project headquarters and dam operations buildings.

The Sacramento District also awarded a $1.26 million contract to install a solar panel system at New Hogan Lake scheduled for completion by June 2010. These panels will reduce energy consumption at project offices by 41 percent, reducing carbon emissions by an estimated 156,000 pounds annually - the equivalent of planting 43 acres of trees.

Additional Examples of Recent Contracts Awarded:

Embankment Repairs at Granger, Belton and Navarro Mills Lakes, Texas - The Corps awarded a $28,270,640 contract to install Rip Rap protection and repair embankment slopes at Navarro Mills Lake, Belton Lake, and Granger Lake. The 270,000 tons of riprap being purchased, delivered, and placed provides a distribution of funds throughout a broad geographical area and across a wide variety of industries. These projects prevented over $8,000,000 in flood damages last year and an estimated $346,310,000 over the life of the project.

Outlet Works Repairs at Whitney Lake, Texas - The Corps awarded an $11,343,250 contract for repairs to the outlet works at the Whitney Dam that is reducing the project's critical maintenance backlog and will improve the structural integrity and reliability of the flood control structure. The project has prevented an estimated $304,225,000 in flood damages over its life.

Lock and Dam 3, Mississippi River, Minnesota - Lock and Dam No. 3 is located on the Mississippi River about 41 miles downstream of St. Paul, Minnesota. The lock and dam, located on a river bend has had many navigation accidents at the dam, including 11 accidents when tows collided with the gated part of the dam. A related problem is the integrity of three embankments connecting the dam to high ground in Wisconsin. Any embankment failure could cause the Mississippi River to flow around the lock and dam forcing a shutdown of two large power plants. With $70 million in Recovery Act funds, the Corps awarded two design/ build contracts, for Navigation Improvements and the Lower Embankments, and a design/bid/build contract to improve the Upper Embankments. Upon completion, the projects will improve navigation safety, reduce the risk of loss of life, injury, damage to vessels and Lock and Dam 3, and reduce the risk of an accidental drawdown of the navigation pool.

The $4.6 billion in Recovery Act funds has provided resources for the Corps Civil Works program to pursue investments that create and preserve jobs and yield good returns for the Nation's economy. Thank you for allowing me to testify today. I look forward to any questions you or other Members of the Committee may have.

QUESTIONS SUBMITTED IN WRITING BY

CONGRTESSMAN JOHN L. MICA

FOR THE HONORABLE TERRENCE C. SALT

DEPUTY ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

HOUSE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

HEARING ON "RECOVERY ACT: PROGRESS REPORT FOR INFRASTRCUTURE INVESTMENTS"

MAY 26, 2010

Q1. **Customs and Border Protection (CPB) (along with GSA and the Corps) plan to spend $7 million (originally obligated at $15.7 million) in Stimulus funds to renovate the Morses Line Port of Entry (border station), on the U.S.-Canada border in Vermont. The border station, which see 2 ½ cars an hour or 40 cars a day, is located in the middle of a Vermont's family dairy farm and the owners of the dairy farm were told by CBP they must sell part of the farm for $39,500 or else the farm will be condemned. The family (a representative of the family will be a witness on the last panel) does not want to sell and believe they will go out of business if they lose the land.**

Can you explain the Corps role in this situation and what can be done to prevent this condemnation, which, contrary to the Stimulus, will actually put people out of work? Should the Port of Entry stay open or close? IS this specific property necessary? How much property is necessary?

A1. The Corps of Engineers is providing real estate acquisition support for U.S. Customs and Border Protection (CBP) efforts to modernize the Morses Line Port of Entry. The existing facility abuts Morses Line Road and is surrounded on the remaining three sides by a single landowner, a 228 acre dairy farm belonging to Clement and Elizabeth Rainville.

Decisions pertaining to operational requirements and design rest with CBP. Initial plans called for acquisition of approximately 8.3 acres of land adjacent to the existing port facility. CBP reduced the design requirements to 4.58 acres in an effort to lessen impacts to the adjacent owner. When attempts to negotiate for 4.58 acres failed CBP further reduced design requirements to approximately 2.2 acres. CBP has not directed the Corps of Engineers to engage in further negotiations.

Q2. **In the CBP Recovery Act Plan issued last year, the Vermont border station (mentioned in Question 1) is described as two stories and noted the upstairs used to be officer residences "many years ago." Yet there is no further explanation of whether the upstairs is currently being used and how the building could be renovated to maximize space use. What justification was provided to you by CBP or by another agency that explains why the existing building and site is not sufficient?**

A2. CBP did not provide the Corps of Engineers information detailing space/site utilization at the existing Morses Line Port facility.

Q3. **How many jobs have been created/saved/retained by the Stimulus funded thus far? What are those jobs? And what do you mean by "created or retained?" When the Stimulus money expires, will those jobs still be in existence?**

A3. Our recipients reported in April for the quarter ending in March that they created or retained 6,701 jobs.

These jobs include construction of levees, maintenance dredging for navigation, professional architect and engineering services, delivery of materials and equipment, public safety related upgrades to existing facilities, among others.

The Federal Acquisition Regulation defines a job created/retained as new positions created and filled or previously established positions that are filled as a result of the Act.

The specific jobs funded with the Corps' ARRA appropriations include such work as construction or delivery of an end product, inspection of a levee, or providing a written engineering product. By definition, these jobs are of limited duration, which is normal in the engineering and construction industry. However, the same employees could well be kept on or re-hired for future work within their fields, which also is normal in this industry.

Q4. **All Stimulus recipients must comply with Section 1512 and report how many jobs they created, saved, or retained. Many Stimulus recipients are confused about how to report this information and are getting different assistance on how to report, depending upon which agency they talk to. How is the Corps verifying all the job reporting data to ensure accuracy?**

A4. Contracting officers review recipient reported information for significant errors or material omissions, but cannot validate information such as compensation or jobs data reported by contractors.

Q5. **Your staff has said that all Stimulus recipients "self-verify" the data they report regarding job creation. What does this mean, and does the Corps ever review the data?**

A5. Since we do not have access to the recipient records, we cannot validate information such as compensation or jobs data reported by contractors. We do review the number of jobs reported by comparing the amount invoiced for the reporting period for reasonableness.

United States Government Accountability Office

GAO

Testimony
Before the Committee on Transportation and Infrastructure, House of Representatives

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RECOVERY ACT

Clean Water Projects Are Underway, but Procedures May Not Be in Place to Ensure Adequate Oversight

Statement of David C. Trimble, Acting Director
Natural Resources and Environment

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GAO-10-761T

May 26, 2010

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Highlights

Highlights of GAO-10-761T, testimony before the Committee on Transportation and Infrastructure, House of Representatives

RECOVERY ACT

Clean Water Projects Are Underway, but Procedures May Not Be in Place to Ensure Adequate Oversight

Why GAO Did This Study

The American Recovery and Reinvestment Act of 2009 (Recovery Act) included $4 billion for the Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (SRF). This testimony—based on GAO's report GAO-10-604, issued on May 26, 2010, in response to a mandate under the Recovery Act—addresses (1) state efforts to meet requirements associated with the Recovery Act and SRF program, (2) the uses of Recovery Act funds, and (3) EPA's and states' efforts to oversee the use of these funds.

GAO's review of the Clean Water SRF program focused on 14 states and selected localities—known as subrecipients—in each of these states. These 14 states received approximately 50 percent of the total appropriated under the Recovery Act for the Clean Water SRF. GAO obtained data from EPA and the 14 states, including the amounts and types of financial assistance each SRF program provided, which subrecipients were first-time recipients of Clean Water SRF funding, and which projects serve disadvantaged communities.

What GAO Recommends

GAO-10-604 recommended that the EPA Administrator work with the states to implement specific oversight procedures to monitor and ensure subrecipients' compliance with the provisions of the Recovery Act-funded Clean Water SRF program. EPA neither agreed nor disagreed with our recommendation.

View GAO-10-761T or key components. For more information, contact David C. Trimble at (202) 512-3841 or trimbled@gao.gov.

What GAO Found

The 14 states we reviewed for the Clean Water SRF program had all projects under contract by the 1-year, February 17, 2010, deadline and also took steps to give priority to projects that were ready to proceed to construction by that same date. Eighty-seven percent of Clean Water SRF projects were under construction within 12 months of enactment of the Recovery Act. In addition, the 14 Clean Water SRFs exceeded the 20 percent green reserve requirement, using 29 percent of SRF funds to provide assistance for projects that met EPA criteria for being "green," such as water or energy efficiency projects; these states also met or exceeded the requirement to use at least 50 percent of Recovery Act funds to provide additional subsidization in the form of, for example, principal forgiveness or grants. SRF officials in most of the states we reviewed said that they faced challenges in meeting Recovery Act requirements, including the increased number of applications needing review and the number of new subrecipients requiring additional support in complying with the SRF program and Recovery Act requirements. States used a variety of techniques to address these concerns to meet the 1-year deadline, such as hiring additional staff to help administer the SRF program.

The 14 states we reviewed distributed nearly $2 billion in Recovery Act funds among 890 water projects through their Clean Water SRF program. Overall, these 14 states distributed about 79 percent of their funds as additional subsidization, with most of the remaining funds provided as low- or zero-interest loans that will recycle back into the programs as subrecipients repay their loans. In addition, states we reviewed used at least 40 percent of Clean Water SRF Recovery Act project funds ($787 million) to provide assistance for projects that serve disadvantaged communities, and almost all of this funding was provided in the form of additional subsidization. Almost half of the Clean Water SRF subrecipients had never previously received assistance through that program. Of the 890 projects awarded Recovery Act Clean Water SRF program funds in these states, more than one-third are for green projects, and almost all of these (93 percent) were awarded additional subsidization.

EPA has modified its existing oversight of state SRF programs by planning additional performance reviews beyond the annual reviews it already conducts, but these reviews do not include an examination of state subrecipient monitoring procedures. According to EPA officials, EPA has not established new subrecipient monitoring requirements for Recovery Act-funded projects and has given states a high degree of flexibility to operate their SRF programs based on each state's unique needs. Although many states have expanded their existing monitoring procedures, the oversight procedures in some states may not be sufficient given that (1) federal funds awarded to each state under the Recovery Act have increased as compared with average annual awards; (2) all Recovery Act projects had to be under contract within 1 year; and (3) EPA and states had little experience with some new Recovery Act requirements, such as the Buy American requirements. For example, some projects have been completed before any site inspection has occurred.

May 26, 2010

Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss our work examining selected states' use of funds made available for clean water projects under the American Recovery and Reinvestment Act of 2009 (Recovery Act).[1] Congress and the administration have fashioned a significant response to what is generally considered to be the nation's most serious economic crisis since the Great Depression. The Recovery Act's combined spending and tax provisions are estimated to cost $787 billion, including $4 billion for the Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (SRF). The Recovery Act specified several roles for us, including conducting ongoing reviews of selected states' and localities' use of funds made available under the act. We recently completed our sixth review, being issued today, which examined a core group of 16 states, the District of Columbia, and selected localities.[2] One component of this review focused on the Clean Water SRF program in 14 of those states and selected localities—known as subrecipients—in each of these states.[3] These 14 states received approximately 50 percent of the total amount appropriated for the Clean Water SRF.

My statement today is based on this work as it relates to the Clean Water SRF program's use of Recovery Act funds and addresses (1) state efforts to meet requirements associated with the Recovery Act, (2) the uses of Recovery Act funds, and (3) EPA's and states' efforts to oversee the use of these funds. We obtained data from EPA's Clean Water SRF Benefits Reporting system as well as each of the 14 states in our review, including the amounts and types of financial assistance that each SRF program provided using Recovery Act funds, the type of Clean Water SRF projects funded, the contract

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[1]Pub. L. No. 111-5, 123 Stat. 115 (Feb. 17, 2009).

[2]GAO, *Recovery Act: States' and Localities' Uses of Funds and Actions Needed to Address Implementation Challenges and Bolster Accountability*, GAO-10-604 (Washington, D.C.: May 26, 2010). For related state appendixes, see GAO-10-605SP.

[3]The 14 states we reviewed are Arizona, California, Colorado, Florida, Georgia, Iowa, Massachusetts, Mississippi, New Jersey, New York, North Carolina, Ohio, Pennsylvania, and Texas.

completion and construction start dates for these projects, which subrecipients were first-time recipients of the Clean Water SRF program, and which projects serve disadvantaged communities. We also reviewed relevant regulations and federal guidance and interviewed EPA officials that administer the programs in headquarters and 4 of the 10 EPA regions.[4] In addition, we conducted semistructured interviews with state officials who administer the SRF programs and with subrecipients who received Recovery Act funds. We conducted performance audits for this review from November 2009 to May 2010 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The Recovery Act appropriated $4 billion for the Clean Water SRF program.[5] This funding represents a significant increase compared with federal funds awarded as annual appropriations to the SRF program in recent years. From fiscal years 2000 through 2009, annual appropriations averaged about $1.1 billion for the Clean Water SRF program. Established in 1987, EPA's Clean Water SRF program provides states and local communities independent and permanent sources of subsidized financial assistance, such as low- or no-interest loans for projects that protect or improve water quality and that are needed to comply with federal water quality regulations.

[4]We interviewed officials in EPA Region 3 (Philadelphia), Region 6 (Dallas), Region 8 (Denver), and Region 9 (San Francisco).

[5]EPA allocates clean water funds to the states based on a statutory formula. The $4 billion in Recovery Act funds includes about $39 million in Clean Water Act (CWA) Section 604(b) Water Quality Management Planning Grants. Section 604(b) of the CWA requires the reservation each fiscal year of a small portion of each state's Clean Water SRF allotment - usually 1 percent - to carry out planning under Sections 205(j) and 303(e) of the CWA. States generally use 604(b) grants to fund regional comprehensive water quality management planning activities to improve local water quality. In this testimony, any reference to Recovery Act funds excludes these planning grants.

In addition to providing increased funds, the Recovery Act included some new requirements for the SRF programs. For example, states were required to have all Recovery Act funds awarded to projects under contract within 1-year of enactment—which was February 17, 2010[6]—and EPA was directed to reallocate any funds not under contract by that date.[7] In addition, under the Recovery Act, states should give priority to projects that were ready to proceed to construction within 12 months of enactment. States were also required to use at least 20 percent of funds as a "green reserve" to provide assistance for green infrastructure projects, water or energy efficiency improvements, or other environmentally innovative activities. Further, states were required to use at least 50 percent of Recovery Act funds to provide assistance in the form of, for example, principal forgiveness or grants. These types of assistance are referred to as additional subsidization and are more generous than the low- or no-interest loans that the Clean Water SRF programs generally provide.

Despite Challenges, States Met Recovery Act Requirements for the SRFs

The 14 states we reviewed for the Clean Water SRF program met all Recovery Act requirements specific to the Clean Water SRF. Specifically, the states we reviewed had all projects under contract by the 1-year deadline and also took steps to give priority to projects that were ready to proceed to construction within 12 months of enactment of the Recovery Act. Eighty-seven percent of Clean Water SRF projects were under construction within 12 months of enactment. In addition, the 14 Clean Water SRFs we reviewed exceeded the 20 percent green reserve requirement, using 29 percent of Recovery Act SRF funds in these states to provide assistance for projects that met EPA criteria for the green reserve. In addition, these states also met or exceeded the 50

[6]In this report we use the word "project" to mean an assistance agreement, i.e., a loan or grant agreement made by the state SRF program to a subrecipient for the purpose of a Recovery Act project.

[7]The Recovery Act requires states to have all funds awarded to projects "under contract or construction" by the 1-year deadline. EPA interprets this as requiring states to have all projects under contract in an amount equal to the full value of the Recovery Act assistance agreement by the deadline, regardless of whether construction has begun, according to a September 2009 memorandum. Thus, in this report, we use "under contract" when referring to this requirement. Further, according to EPA's March 2, 2009, memorandum, the agency will deobligate any Recovery Act SRF funds that a state does not have awarded to projects under contract by the 1-year deadline and reallocate them to other states.

percent additional subsidization requirement; overall, the 14 states distributed a total of 79 percent of Recovery Act Clean Water SRF funds as additional subsidization.

SRF officials in most of the states we reviewed said that they faced challenges in meeting Recovery Act requirements, especially the 1-year contracting deadline. Under the base program, it could take up to several years from when funds are awarded before the loan agreement is signed, according to EPA officials. Some SRF officials told us that the compressed time frame imposed by the Recovery Act posed challenges and that their workloads increased significantly as a result of the 1-year deadline. Among the factors affecting workload are the following:

- *Reviewing applications for Recovery Act funds was burdensome.* Officials in some states said that the number of applications increased significantly, in some cases more than doubling compared with prior years, and that reviewing these applications was a challenge. For example, New Jersey received twice as many applications than in past years, according to SRF officials in that state.

- *Explaining new Recovery Act requirements was time-consuming.* Because projects that receive any Recovery Act funds must comply with Buy American requirements and Davis-Bacon wage requirements,[8] state SRF officials had to take additional steps to ensure that both applicants for Recovery Act funds and those awarded Recovery Act funds understood these requirements.

- *Applicants and subrecipients required additional support.* Many states took steps to target Recovery Act funds to new recipients, including nontraditional recipients

[8]The Buy American provisions of the Recovery Act generally require that iron, steel, and manufactured goods acquired for use on a public building or public work be produced in the United States, subject to limited exceptions. The Davis-Bacon provisions of the Recovery Act require that contractors and subcontractors pay all laborers and mechanics working on Recovery Act projects at least the prevailing wage rates in the local area where they are employed, as determined by the Secretary of Labor.

of Clean Water SRF funds, such as disadvantaged communities.[9] According to SRF officials in some states, new applicants and subrecipients required additional support in complying with SRF program and Recovery Act requirements. In the states we reviewed, nearly half of Clean Water SRF subrecipients had not previously received assistance through that program.

- *Project costs were difficult to predict.* Officials in some states told us that actual costs were lower than estimated for many projects awarded Recovery Act funds and, as a result, these states had to scramble to ensure that all Recovery Act funds were under contract by the 1-year deadline. For example, in January 2010, officials from Florida's SRF programs told us that a few contracts for Recovery Act-funded projects in the state had come in below their original project cost estimates, and that this was likely to be the program staff's largest concern as the deadline approached. However, lower estimates also allowed some states to undertake additional projects that they would otherwise have been unable to fund with the Recovery Act funding.

States used a variety of techniques to address these workload concerns and meet the 1-year contracting deadline, according to state SRF officials with whom we spoke. Some states hired additional staff to help administer the SRF programs, although SRF officials in other states told us that they were unable to do so because of resource constraints. For example, New Jersey hired contractors to help administer the state's base Clean Water SRF funds, allowing experienced staff to focus on meeting Recovery Act requirements, according to SRF officials in that state. Moreover, some states hired contractors to provide assistance to both applicants and subrecipients. For example, California hired contractors—including the Rural Community Assistance Corporation—to help communities apply for Recovery Act funds. Furthermore, states took steps to ensure that they would have all Recovery Act funds under contract even if projects

[9]States differ in how they define disadvantaged communities. In general, disadvantaged community status takes into account factors such as median household income and community size. At least one state included in this report determines disadvantaged community status at the county level. Some states have introduced efforts to provide base SRF funds to disadvantaged communities, while others have not.

dropped out because of Recovery Act requirements or time frames. For example, most of the states we reviewed awarded a combination of Recovery Act and base funds to projects to allow for more flexibility in shifting Recovery Act funds among projects.

States also used a variety of techniques to ensure that they would meet the green reserve requirement. For example, some of the states we reviewed conducted outreach to communities and nonprofit organizations to solicit applications for green projects. Moreover, to make green projects more attractive to communities, some states offered additional subsidization to all green projects or relied on a small number of high-cost green projects to meet the requirement. For example, Mississippi officials told us that the state funded three large energy efficiency projects that helped the state's Clean Water SRF program meet the green reserve requirement.

Recovery Act Funds Went to Many Disadvantaged Communities and New Recipients

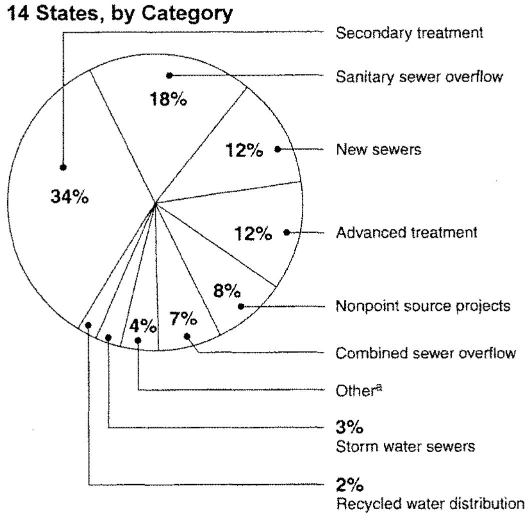
The 14 states we reviewed distributed nearly $2 billion in Recovery Act funds among nearly 890 water projects through their Clean Water SRF program. These states took a variety of approaches to distributing funds. For example, four states distributed at least 95 percent of Recovery Act funds as additional subsidization, while three other states distributed only 50 percent as additional subsidization, the smallest amount permitted under the Recovery Act. Overall, these 14 states distributed approximately 79 percent of Clean Water SRF Recovery Act funds as additional subsidization, with most of the remaining funds provided as low- or no-interest loans that will recycle back into the programs as subrecipients repay their loans. As the funds are repaid, they can then be used to provide assistance to SRF recipients in the future. Furthermore, states varied in the number of projects they chose to fund. For example, Ohio distributed approximately $221 million among 274 Clean Water SRF projects, while Texas distributed more than $172 million among 21 projects. Some states funded more projects than originally anticipated because other projects were less costly than expected, according to officials. For example, Texas was able to provide funds for two additional clean water projects because costs—especially material costs—were lower than anticipated for other projects.

States we reviewed used at least 40 percent of Recovery Act Clean Water SRF project funds ($787 million) to provide assistance for projects that serve disadvantaged communities.[10] Most of the states we reviewed took steps to target some or all Recovery Act funds to these low-income communities, generally by considering a community's median household income when selecting projects and determining which projects would receive additional subsidization in the form of principal forgiveness, negative interest loans, or grants. According to state officials from nine Clean Water SRF programs, 50 percent of all projects funded by those states' SRF programs serve disadvantaged communities, and all of these disadvantaged communities were provided with additional subsidization. SRF officials in some states told us that Recovery Act funds—especially in the form of additional subsidization—have provided significant benefits to disadvantaged communities in their states. For example, according to officials from California's Clean Water SRF program, that state used funds to provide assistance for 25 wastewater projects that serve disadvantaged communities, and approximately half of these projects would not have gone forward as quickly or at all without additional subsidization. Officials from the City of Fresno confirmed that one of these projects—which will replace septic systems with connections to the city's sewer systems in two disadvantaged communities—would not have gone forward without additional subsidization. Local officials told us that this project will decrease the amount of nitrates in the region's groundwater, which is the source of the city's drinking water.

The Clean Water SRF programs from the 14 states we reviewed used Recovery Act funds to provide assistance for 890 projects that will meet a variety of local needs. Figure 1 shows how the 14 states distributed Recovery Act funds across various clean water categories.

[10]Because three states do not maintain information on which projects serve disadvantaged communities and two additional states maintain only limited information on which projects serve disadvantaged communities, we cannot provide complete information on the number of projects serving these communities.

Figure 1: Share of Recovery Act Funds Provided to Clean Water SRF Projects in 14 States, by Category



Source: GAO analysis of EPA data and information provided by states.

[a]Three states—California, Massachusetts, and Texas—reported awarding Recovery Act funds to other types of Clean Water SRF projects or project components. These projects include, for example, expanding a disposal system, constructing a reclaimed water delivery system, and constructing a wind turbine.

In the states we reviewed, the Clean Water SRF programs used more than 70 percent of Recovery Act project funds to provide assistance for projects in the following categories:

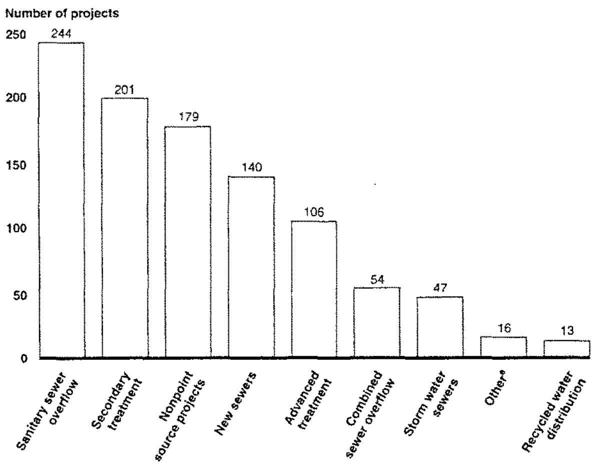
- *Secondary treatment and advanced treatment.* States we reviewed used nearly half of all Recovery Act project funds to support wastewater infrastructure intended to meet or exceed EPA's secondary treatment standards for wastewater treatment facilities. Projects intended to achieve compliance with these standards are referred to as secondary treatment projects, while projects intended to exceed compliance with these standards are referred to as advanced treatment projects. For example, Massachusetts' Clean Water SRF program awarded over $2 million in Recovery Act funds to provide upgrades intended to help the City of Leominster's secondary wastewater treatment facility achieve compliance with EPA's discharge limits for phosphorous.

- *Sanitary sewer overflow and combined sewer overflow.* States we reviewed used about 25 percent of Recovery Act project funds to support efforts to prevent or mitigate discharges of untreated wastewater into nearby water bodies. Such sewer overflows, which can occur as a result of inclement weather, can pose significant public health and pollution problems, according to EPA. For example, Pennsylvania used 56 percent of project funds to address sewer overflows from municipal sanitary sewer systems and combined sewer systems.[11] In another example, Iowa's Clean Water SRF program used Recovery Act funds to help the City of Garwin implement sanitary sewer improvements. Officials from that city told us that during heavy rains, untreated water has bypassed the city's pump station and backed up into basements of homes and businesses, and that the city expects all backups to be eliminated as a result of planned improvements.

In addition to funding conventional wastewater treatment projects, 9 of the 14 Clean Water SRF programs we reviewed used Recovery Act funds to provide assistance for projects intended to address nonpoint source pollution—projects intended to protect or improve water quality by, for example, controlling runoff from city streets and agricultural areas. The Clean Water SRF programs we reviewed used 8 percent of project funds to support these nonpoint source projects, but nonpoint source projects account for 20 percent (179 out of 890) of all projects. A large number of these projects—131 out of 179—were initiated by California or Ohio. For example, California used Recovery Act funds to provide assistance for the Tomales Bay Wetland Restoration and Monitoring Program, which restores wetlands that had been converted into a dairy farm. Figure 2 shows the number of projects that fall into various clean water categories.

[11]Combined sewer systems are designed to collect rainwater runoff, domestic sewage, and industrial wastewater in the same pipe.

Figure 2: Clean Water SRF Projects Awarded Recovery Act Funds in 14 States, by Category



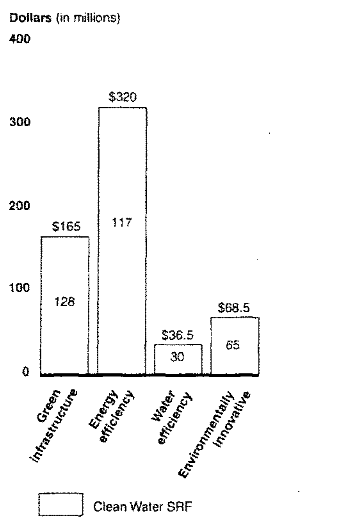
Source: GAO analysis of EPA data and information provided by states.

Note: Some projects fall into more than one category.

[a]Three states—California, Massachusetts, and Texas—reported awarding Recovery Act funds to other types of Clean Water SRF projects or project components. These projects include, for example, expanding a disposal system, constructing a reclaimed water delivery system, and constructing a wind turbine.

Of the 890 projects awarded Recovery Act funds by the Clean Water SRF programs in the states we reviewed, more than one-third (312) address the green reserve requirement. Of these green projects, 289 (93 percent) were awarded additional subsidization. Figure 3 shows the number of projects that fall into each of the four green reserve categories included in the Recovery Act. Many of these projects are intended to improve energy or water efficiency and are expected to result in long-term cost savings for some communities as a result of these improvements. For example, the Massachusetts Water Resources Authority is using Recovery Act funds provided through that state's Clean Water SRF program to help construct a wind turbine at the DeLauri Pump Station, and the Authority estimates that, as a result of this wind turbine, more than $350,000 each year in electricity purchases will be avoided. Furthermore, some projects provide green alternatives for infrastructure improvements. For example, New York's Clean Water SRF program provided Recovery Act funds to help construct a park designed to naturally filter stormwater runoff and reduce the amount of stormwater that enters New York City's sewers. More than half of the city's sewers are combined sewers, and during heavy rains, sewage sometimes discharges into Paerdagat Basin, which feeds into Jamaica Bay.

Figure 3: Green Reserve Projects Awarded Recovery Act Clean Water SRF Program Funds in 14 States, by Category



Source: GAO analysis of EPA data and information provided by states.

Note: Some projects fall into more than one category.

Although EPA and States Have Expanded Existing Oversight Procedures to Address Recovery Act Requirements, the Procedures May Not Ensure Adequate Oversight

EPA has modified its existing oversight of state SRF programs by planning additional performance reviews beyond the annual reviews it is already conducting, but these reviews do not include an examination of state subrecipient monitoring procedures. Specifically, EPA is conducting midyear and end-of-year Recovery Act reviews in fiscal year 2010 to assess how each state is meeting Recovery Act requirements. As part of these reviews, EPA has modified its annual review checklist to incorporate elements that address the Recovery Act requirements. Further, EPA officials will review four project files in each state for compliance with Recovery Act requirements and four federal disbursements to the state to help ensure erroneous payments are not occurring. According to EPA officials, because of these added reviews, EPA is providing additional scrutiny over how states are using the Recovery Act funds and meeting Recovery Act requirements as compared with base program funds. As of May 14, 2010, EPA completed field work for its mid-year Recovery Act reviews in 13 of the states we reviewed and completed final reports for 3 of these states (Iowa, Ohio, and Pennsylvania). EPA has plans to begin field work in the final state at the end of May 2010.

Although the frequency of reviews has increased, these reviews do not examine state subrecipient monitoring procedures. In 2008, the EPA Office of Inspector General (OIG) examined state SRF programs' compliance with subrecipient monitoring requirements of the Single Audit Act and found that states complied with the subrecipient monitoring requirements but that EPA's annual review process did not address state subrecipient monitoring procedures. The OIG suggested that EPA include a review of how states monitor borrowers as part of its annual review procedures. EPA officials told us that they agreed with the idea to include a review of subrecipient monitoring procedures as part of the annual review but have not had time to implement this suggestion because EPA's SRF programs have focused most of their attention on the Recovery Act since the OIG published its report. EPA officials also told us that they believe the reviews of project files and federal disbursements could possibly identify internal control weaknesses that may exist for financial controls, such as weaknesses in subrecipient monitoring procedures. These reviews occur as part of the Recovery Act review and aim to assess a project's compliance with Recovery Act requirements and help ensure that no erroneous payments are occurring.

In terms of state oversight of subrecipients, EPA has not established new subrecipient monitoring requirements for Recovery Act-funded projects, according to EPA officials.

Under the base Clean Water SRF program, EPA gives states a high degree of flexibility to operate their SRF programs based on each state's unique needs and circumstances in accordance with federal and state laws and requirements. According to EPA officials, although EPA has established minimum requirements for subrecipient monitoring, such as requiring states to review reimbursement requests, states are allowed to determine their own subrecipient monitoring procedures, including the frequency of project site inspections.

While EPA has not deviated from this approach with regard to monitoring Recovery Act-funded projects, it has provided states with voluntary tools and guidance to help with monitoring efforts. For example, EPA provided states with an optional inspection checklist to help states evaluate a subrecipient's compliance with Recovery Act requirements, such as the Buy American and job reporting requirements. EPA has also provided training for states on the Recovery Act requirements. For example, as of May 14, 2010, EPA has made available 11 on-line training sessions (i.e.webcasts) for state officials in all states to help them understand the Recovery Act requirements. EPA has also provided four workshops with on-site training on its inspection checklist for state officials in California, Louisiana, New Mexico, and Puerto Rico.

Although EPA has not required that states change their subrecipient oversight approach, many states have expanded their existing monitoring procedures in a variety of ways. However, the oversight procedures may not be sufficient given that (1) federal funds awarded to each state under the Recovery Act have increased as compared with average annually awarded amounts; (2) all Recovery Act projects had to be ready to proceed to construction more quickly than projects funded with base SRF funds; and (3) EPA and states had little previous experience with some of the Recovery Act's new requirements, such as Buy American provisions, according to EPA officials. The following are ways in which oversight procedures may not be sufficient:

- *Review procedures for job data.* According to OMB guidance on Recovery Act reporting, states should establish internal controls to ensure data quality, completeness, accuracy, and timely reporting of all amounts funded by the Recovery Act. We found that most states we reviewed had not developed review procedures to verify the accuracy of job figures reported by subrecipients using supporting documentation, such as certified payroll records. As a result, states may be unable to verify the accuracy of these figures. For example, Mississippi SRF officials told us that they do not have the resources to validate the job counts reported by comparing them against certified payroll records. In addition, during interviews with some subrecipients, we found inconsistencies among subrecipients on the types of hours that should be included and the extent that they verified job data submitted to them by contractors. For example, in New Jersey one subrecipient told us they included hours worked by the project engineer in the job counts, while another subrecipient did not.

- *Review procedures for loan disbursements.* According to EPA officials, the agency requires states to verify that all loan payments and construction reimbursements are for eligible program costs. In addition, according to EPA guidance, states often involve technical staff who are directly involved in construction inspections to help verify disbursement requests because they have additional information, such as of the status of construction, that can help accurately approve these requests. However, we found that in two states we reviewed, technical or engineering staff did not review documentation supporting reimbursement requests from the subrecipient to ensure they were for legitimate project costs. For example, officials in Pennsylvania told us that technical staff from the state's Department of Environmental Protection—which provides technical assistance to SRF subrecipients—do not verify monthly payments to subrecipients that are made by the Pennsylvania Infrastructure Investment Authority, the state agency with funds management responsibility for the state's SRF programs. Instead, Department of Environmental Protection staff approve project cost estimates prior to loan settlement, when they review bid proposals submitted by contractors, and Pennsylvania Infrastructure Investment Authority officials verify monthly payments against the approved cost estimates.

- *Inspection procedures.* According to EPA officials, the agency requires that SRF programs have procedures to help ensure subrecipients are using Recovery Act SRF funding for eligible purposes. While it has not established required procedures for state project inspections, EPA has provided states its optional Recovery Act inspection checklist to help them evaluate a subrecipient's compliance with Recovery Act requirements, such as the Buy American and job reporting requirements. Some states we reviewed have adopted EPA's Recovery Act inspection checklist procedures and modified their procedures accordingly. For example, California and Arizona plan to implement all elements of EPA's checklist for conducting inspections of Recovery Act projects, according to officials in these states. Other states have modified their existing inspection procedures to account for the new Recovery Act requirements. For example, officials from Georgia said they added visual examination of purchased materials and file review steps to their monthly inspections to verify that subrecipients are complying with the Buy American provision. In contrast, the Pennsylvania Department of Environmental Protection's inspection procedures do not include a review of Recovery Act requirements. For example, we found that inspection reports for three Recovery Act projects we visited in Pennsylvania do not include inspection elements that covered Davis-Bacon or Buy American provisions. Instead, the Pennsylvania Infrastructure Investment Authority requires subrecipients to self-certify their compliance with these Recovery Act requirements when requesting payment from the state's funds disbursement system. Registered professional engineers who work for the subrecipients, must sign-off on these self-certifications and subrecipients could face loss of funds if a certification is subsequently found to be false, according to the Executive Director of the Authority.

- *Frequency and timing of inspections.* According to EPA officials, the agency does not have requirements on how often a state SRF program must complete project inspections, and the frequency and complexity of inspections vary by state for the base SRF program. Officials from several states told us they have increased the frequency of project site inspections. For example, Colorado SRF officials said the state is conducting quarterly project site inspections of each of the state's Recovery Act funded SRF projects, whereas under the state's base SRF programs, Colorado inspects project sites during construction only when the state has concerns. However, we found that two states either did not conduct site inspections of some projects that are complete or had not yet inspected projects that were near completion. For example, as of April 19, 2010, Ohio EPA had inspected about 41 percent of the Clean Water projects, but our review of Ohio's inspection records showed that at least 6 projects are complete and have not been inspected, and a number of others are nearing completion and have not been inspected.

- *Monitoring compliance with Recovery Act requirements.* We found issues in several states during interviews with SRF subrecipients that suggest uncertainty about subrecipients' compliance with Recovery Act requirements. For example, we interviewed one subrecipient in Ohio whose documentation of Buy American compliance raised questions as to whether all of the manufactured goods used in its project were produced domestically. In particular, the specificity and detail of the documentation provided about one of the products used left questions as to whether it was produced at one of the manufacturer's nondomestic locations. Further, another subrecipient in Ohio was almost 2 months late in conducting interviews of contractor employees to ensure payment of Davis-Bacon wages.

In summary, EPA and the states successfully met the Recovery Act deadlines for having all projects under contract by the 1-year deadline, and almost all Clean Water SRF projects were under construction by that date as well. Furthermore, Recovery Act funds were distributed to many new recipients and supported projects that serve disadvantaged communities. In addition, Recovery Act Clean Water SRF program funds have supported a variety of projects that are expected to provide tangible benefits to improving local water quality. However, as demonstrated in the above examples, the oversight mechanisms used by EPA and the states may not be sufficient to ensure compliance with all Recovery Act requirements. The combination of a large increase in program funding, compressed time frames, and new Recovery Act requirements present a significant challenge to EPA's current oversight approach. As a result, we recommended that the EPA Administrator work with the states to implement specific oversight procedures to monitor and ensure subrecipients' compliance with the provisions of the Recovery Act-funded Clean Water and Drinking Water SRF programs. EPA neither agreed nor disagreed with this recommendation.

Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions that you or other Members of the Committee might have.

GAO Contact and Staff Acknowledgments

For further information regarding this statement, please contact David C. Trimble at (202) 512-3841 or trimbled@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Individuals who made key contributions to this statement include Nancy Crothers, Elizabeth Erdmann, Brian M. Friedman, Gary C. Guggolz, Emily Hanawalt, Carol Kolarik, and Jonathan Kucskar.

(361206)

GAO Responses to Questions for the Record

Clean Water State Revolving Fund Spending Under the American Recovery and Reinvestment Act of 2009
May 26, 2010
David C. Trimble, Acting Director, Natural Resources and Environment

Questions from Ranking Member John L. Mica

1. GAO reported in February that officials across the country had mixed opinions of how the Davis-Bacon requirements in the Stimulus would affect the Stimulus funded projects, in terms of cost and executability. What does this mean for the effectiveness of the Stimulus program and whether jobs are being created?

In our February 2010 report,[2] we reported that officials at 4 of the 27 federal agencies, including the Environmental Protection Agency, told us that Davis-Bacon requirements affected the timing of some of their Recovery Act projects, and officials from another 2 federal agencies said Davis-Bacon requirements may affect the timing of projects. In our work looking at state SRF programs, we did not specifically examine the impact of Davis-Bacon requirements on project costs or completion time frames, nor did we examine the impact of SRF funding on job creation. However, some state officials told us that having to explain the Recovery Act requirements, including Davis-Bacon and Buy American provisions, was time consuming and officials had to take additional steps to ensure that both applicants for Recovery Act funds and those awarded funds understood these requirements. Despite these challenges, all states met the 1-year contracting deadline imposed by the Recovery Act and 87 percent of projects were under construction by this date.

2. GAO recommends that EPA work with the States to implement specific oversight procedures to monitor and ensure subrecipients' compliance with SRF program and Recovery Act requirements. What sorts of oversight procedures should EPA and States implement?

Under the base Clean Water SRF program, EPA gives states flexibility to determine their own subrecipient monitoring procedures, such as the frequency of project inspections, and EPA officials told us the agency has not established new monitoring requirements for Recovery Act-funded projects. However, due to the combination of a large increase in program funding, compressed time frames, and new Recovery Act requirements, we believe that EPA's current oversight approach may not adequately ensure subrecipient compliance with Recovery Act provisions. Although EPA has provided states with tools to help them oversee subrecipients' compliance, use of these tools is voluntary. To help ensure subrecipient compliance with Recovery Act requirements for SRF projects, EPA could consider establishing specific requirements for how states monitor subrecipients. For example, EPA could

[2] GAO, *Recovery Act: Project Selection and Starts Are Influenced by Certain Federal Requirements and Other Factors*, GAO-10-383 (Washington, D.C.: Feb. 10, 2010).

GAO Responses to Questions for the Record

Clean Water State Revolving Fund Spending Under the American Recovery and Reinvestment Act of 2009
May 26, 2010
David C. Trimble, Acting Director, Natural Resources and Environment

establish (1) a minimum threshold for the frequency of inspections, (2) required project site inspection procedures for states to evaluate a subrecipient's compliance with Recovery Act requirements, and (3) review procedures to ensure the accuracy of job figures reported by subrecipients.

GAO Responses to Questions for the Record

Clean Water State Revolving Fund Spending Under the American Recovery and Reinvestment Act of 2009
May 26, 2010
David C. Trimble, Acting Director, Natural Resources and Environment

Questions from Chairman James L. Oberstar:

1. What lessons can we learn from the ability of all States to meet the requirement that all Recovery Act funds available for Clean Water State Revolving Fund (SRF) projects be under contract within one-year of the date of enactment (February 17, 2010)?

States' ability to meet the 1-year contracting deadline imposed by the Recovery Act demonstrates that the Clean Water SRF programs were able to quickly adapt to new priorities. For example, New Jersey's Clean Water SRF program hired contractors to help administer the state's base funds, allowing experienced staff to focus on meeting Recovery Act requirements, according to SRF officials in that state. However, some SRF officials told us that meeting this deadline was challenging and that program staff worked long hours to help overcome these challenges. Moreover, in order to meet the deadline, states sometimes prioritized Recovery Act-related activities over other tasks, according to SRF officials in some of the states we reviewed. For example, SRF officials in one state told us that they expedited permitting for Recovery Act-funded projects. GAO did not evaluate whether a focus on Recovery Act-funded projects adversely affected states' administration of their base Clean Water SRF funds or whether the states would be able to sustain the degree of effort required over the long term.

2. What lessons have we learned from the ability of the EPA and States to implement the Buy American and Davis-Bacon provisions for Recovery Act Clean Water SRF projects?

EPA and the states demonstrated that they can quickly adapt to the new Recovery Act provisions; however, as we noted with our recommendation, we found efforts to oversee implementation of these provisions lacking in some states and localities. For example, we found that the inspection procedures in one state we reviewed did not include a review of subrecipient compliance with Buy American or Davis-Bacon provisions. In addition, we found issues at the subrecipient level that raise concerns about their compliance. For example, we interviewed one subrecipient whose documentation of Buy American compliance raised questions as to whether all of the manufactured goods used in its project were produced domestically. As a result of these concerns about subrecipient compliance with Recovery Act provisions, we recommended that EPA work with the states to implement specific oversight procedures to monitor and ensure subrecipients' compliance.

STATEMENT OF

MARY E. WALSH
CHIEF OF STAFF

NATIONAL RECOVERY PROGRAM MANAGEMENT OFFICE

PUBLIC BUILDINGS SERVICE

U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

U.S. HOUSE OF REPRESENTATIVES

MAY 26, 2010

GSA

Good Morning Chairman Oberstar, Ranking Member Mica, and members of the Committee. My name is Mary Walsh and I am the Chief of Staff for the National Recovery Program Management Office of the General Services Administration's (GSA's) Public Buildings Service (PBS). Thank you for the opportunity to appear before you today to discuss GSA's contribution to our nation's economic recovery through green modernization and new construction of our Federal buildings.

Last year, the American Recovery and Reinvestment Act (Recovery Act) gave GSA an unprecedented and exciting opportunity to contribute to our nation's economic recovery and environmental sustainability. The investments we made and continue to make in our public buildings are helping to stimulate job growth and retention in the construction and real estate sectors, reduce energy consumption, improve the environmental performance of our inventory, reduce our backlog of repairs and alterations, and increase the value of our assets. In addition, our investments will help further developments in energy efficient technologies, renewable energy generation, and green building solutions.

We are successfully meeting our established milestones to meet the intent and goals of the Recovery Act. I will first summarize, and then further elaborate on our accomplishments. Since enactment of the Recovery Act on February 17, 2009, we have accomplished the following:

- Submitted our first spend plan, identifying projects funded by the Recovery Act, to Congress on March 31, 2009. We have since submitted three revisions. Our current spend plan includes 262 projects in all 50 states, the District of Columbia, and two U.S. territories.

- Established and met our target dates for contract awards:

    - $1 billion in contract awards by August 1, 2009

    - $2 billion in total contract awards by December 31, 2009

    - $4 billion in total contract awards by March 31, 2010

- Put GSA on track to meet our next targets:

    - $5 billion in total contract awards by September 30, 2010

As of May 14, 2010, we have obligated over $4.1 billion to more than 500 companies and outlayed over $367 million.

- In addition to our Recovery Act Funds, GSA expects to receive approximately $1 billion in Recovery Act funds from other agencies, such as the Department of State (DoS) and SSA, among others. To date, we have received over $428 million in Recovery Act reimbursable work authorizations and, of that, have obligated over $297 million in contracts on behalf of other agencies.

- Over the last 3 reporting periods, GSA obtained nearly 100 percent compliance on contract recipient employment reporting on all 500+ separate contract awards. During the first quarter, only one recipient did not comply; in the second reporting cycle, GSA achieved 100 percent compliance. PBS received over 99 percent reporting compliance during the most recent reporting quarter that closed in April.

- Established PBS as a Green Proving Ground to provide practical data in order to measure the returns on investment in emerging green technologies and practices.

GSA is proud of these accomplishments and our opportunity to contribute to our nation's economic recovery and reinvestment in our building infrastructure. I will now elaborate further on what we have done as well as describe some of our exciting building projects.

Organizational Response

Given the urgency of the situation and the goals of the Recovery Act we moved forward quickly and diligently to select the best projects for accomplishing the goals of the Recovery Act based on two over-arching criteria: potential of the projects to put people back to work quickly and to transform Federal buildings into high-performance green buildings. To help manage and oversee our Recovery Act program, PBS created a new national approach to program management and we adopted a credo of "On Schedule, On Budget and On Green."

As described earlier, we met our targets of "On Schedule and On Budget" by exceeding our aggressive goal of obligating $4 billion by March 31, 2010. This is particularly remarkable given that project awards were on average 8-10 percent below our projected cost estimates. Lower-than-expected contract awards made additional funds available, which we reallocated and invested in new high-performance features and projects. To further describe the magnitude of this achievement, in order to meet the March goal we accelerated schedules for 116 projects representing $561 million in investments.

We are working towards meeting our performance target of "On Green" with our Recovery Act funding targeted at high-performance green building projects. The funding provided by the Recovery Act has jump-started our effort to meet mandated energy and water conservation targets in the years to come. We appreciate Congress' foresight to direct the majority of our funding toward converting GSA's facilities into high performance green buildings.

In order to meet these aggressive measures, we set interim target dates for project awards in each quarter and monitor project progress, identify schedule variances early, streamline and accelerate projects, and share best practices. PBS has quickly identified opportunities for reinvestment and updated its spend plan to enhance or accelerate funding of other projects. To date, we have revised our spend plan three times: revisions were submitted on November 23, 2009, January 19, 2010, and March 5, 2010. Speedy revisions to the spend plan were essential to meet our interim goals and are essential in meeting the mandated timelines in the Recovery Act.

Stimulating the Economy

GSA's infrastructure investments vary in scope, type, and complexity and cover our entire portfolio. Funds from the Recovery Act are being used to convert our inventory to high-performance green buildings, as well as renovate and construct Federal buildings, courthouses, and land ports of entry. These projects range from single building system modernizations to large complex new construction projects. As of May 14, 2010, our obligations totaling over $4.1 billion are funding the following projects in all 50 states, 2 territories and in the District of Columbia:

- New Federal Buildings and Courthouses: 11
- Land Ports of Entry: 7
- High Performance Green Buildings - Full & Partial Modernizations: 45
- High Performance Green Buildings - Limited Scope Projects: 199

Notably, GSA's "obligations" are awards flowing directly to our contractors, i.e., directly into the construction, real estate and architecture/engineering sectors. While contract award is the catalyst for money flowing through the economy, funds associated with construction or design projects are not immediately outlayed following contract award. Rather, payments to contractors for progress made over the life of the contract provide steady support for our economy over an extended period – not a jolt that lasts only a few months.

Less visible but important contributions to economic recovery follow shortly after we award a contract: contractors immediately begin to secure financing, hire personnel, and initiate early steps to perform the project. In addition, job numbers increase after the contractor completes these initial steps, not necessarily immediately after the contract has been awarded. There is a lag between the time a contract is awarded and when new jobs are created.

Reports from our Recovery Act funding recipients indicate that 2,683 prime contractor jobs were funded as a direct result of PBS Recovery Act funding during the reporting quarter ending March 31, 2010.

Diversity of Investments

As noted, the projects we have funded vary in amount of investment, scope of project, type of project, and geographic region. For example, in Austin, Texas, we are building a new courthouse that incorporates many innovative green features such as high-efficiency heating, ventilation and air conditioning (HVAC) systems and extensive use of natural light. PBS is building this courthouse to achieve Leadership in Energy and Environmental Design (LEED) Silver certification through the U.S. Green Building Council (USGBC). Although construction began in September, the project team continues to review the design to determine if additional high-performance green building features can be added to the project, including recycled interior finish materials and a highly insulated cool roof. Anticipated completion date is December 2012.

Our progress toward the consolidation of the DHS Headquarters at the St. Elizabeths campus, in Washington, DC is on track. The St. Elizabeths project is the Washington metropolitan area's largest Federal project since construction of the Pentagon, and will help revitalize and spur additional development in Southeast Washington's Anacostia community. Funding for the USCG Headquarters, the first project for the DHS Headquarters at St. Elizabeths, is a mix of Recovery and non-Recovery funding from both GSA and DHS. The first awards occurred before August 2009, earlier than anticipated, and subsequent awards have also happened significantly ahead of schedule. The USCG Headquarters will feature green roofs, landscaped courtyards to capture and reuse surface water runoff, and innovative HVAC systems. We registered all buildings at St. Elizabeths with USGBC, and we expect the St. Elizabeths campus to earn a LEED Silver certification and are striving for Gold certification.

The B. H. Whipple Federal Building project in Ft. Snelling, MN will renovate the main building, the motor pool building and add a new Sally Port. The facility will use a geothermal/ground source heat pump system for both heating and cooling that will greatly reduce the facility's energy usage. A geothermal well field will require removal of most of the site pavement and will therefore promote storm water management for a "95 percent rain event." Other features include installing a high efficiency sprinkler system and plantings, and high efficiency LED site lighting. The Building Automation System will be upgraded to include demand controlled ventilation, an upgrade of the building lighting control system to include dimmable ballasts, occupancy sensor controls and daylight harvesting near exterior windows and solar thermal technology providing 30 percent of the building's domestic hot water. Once completed, the building will achieve a 30 percent efficiency improvement over a baseline HVAC system compliant with ASHRAE 2007 90.1.

Green Technologies and Practices

We are leveraging our Recovery Act investments to turn our large, varied and stable inventory of buildings into a proving ground for green building technologies, materials, and operating regimes. By adopting new ideas and products, then evaluating and publicizing our results, GSA is working to become one of the commercial real estate industry's "go to" sources for data on the environmental and economic payback of new systems and procedures. Our investments in innovative technologies and alternative energy solutions can help lead the transformation to new green jobs and new green industries. The table below identifies the number of green technologies we are including in our projects.

System	Projects With Expected Completion by 12/31/10
System Tune-ups / Recommissioning	58
Lighting	40
Water	7
PV Roof	7
Roof	26
Façade / Windows	11
Advanced Meters	150
Solar Hot Water	2
Wind	2
Geothermal	0

Restroom renovations at the Lewis F. Powell Federal Courthouse in Richmond, Virginia were successfully completed on May 3, 2010. This project focused on energy and water conservation, using more modern toilets, urinals and faucets. These new products use less water than the standard commercial products used in today's buildings. Also, modern lighting products were installed that use less energy per bulb and provide high quality illumination. In addition, motion sensor light switches were installed to minimize unnecessary energy usage. The contract was awarded on August 21, 2009 utilizing Recovery Act funds and employed approximately 10-15 employees from the prime contractor's staff and approximately 8 difference local subcontractors. The contractor worked quickly and provided a successful project on time and well within the budget allowed for this work.

At the Columbus, New Mexico Land Port of Entry, we are providing additional funds to design a net zero energy building. A net zero energy building is a highly energy-efficient building that uses renewable energy-generation technologies to produce as much energy as it consumes from traditional utility grids over the course of a year. Not only will this reduce greenhouse gas emissions, but it will also support the mission need of DHS's U.S. Customs and Border Protection to maintain critical systems in the event of a complete loss of utilities. Building systems and technologies may include: integrated building walls containing super-insulation and high-performance glass; high-efficiency HVAC systems; energy-saving lighting systems; ground-source heat pumps; passive solar heating; natural ventilation; use of day lighting; solar heated air; and solar thermal water heaters.

At the Dayton Federal Building, we are installing an automated HVAC system as well as a lighting control system that includes occupancy sensors and dimmable ballasts. In addition, the building will harvest daylight near exterior windows to improve the quality of light and reduce the need for artificial lighting.

We are also pursuing projects that will upgrade the performance of specific systems within many of our buildings. These "Limited Scope" projects focus on improving energy performance and are evaluated in the context of the existing physical condition of the building. We evaluated these buildings and identified opportunities to "tune-up" the systems, improve building mechanical system controls, recommission building systems and retrofit or replace lighting or HVAC systems. To better achieve the goals of the Energy Independence and Security Act (EISA) of 2007, we particularly focused on those projects related to renewable energy production and water conservation.

In addition to the Limited Scope projects, PBS has obligated over $100 million for High-Performance Green Building Small Projects that represent other opportunities for funding measures to convert our buildings to high-performance green buildings. These projects tend to be smaller in scope and size.

Recipient Reporting

The Recovery Act requires contractors and other recipients of Recovery Act funds to submit quarterly reports that provide the public information on the prime and sub-awards, funding, and project status. The third reporting period closed on April 16th.

For this reporting period, we continued the multimedia outreach approach we developed last reporting quarter to ensure recipients were aware of the quarterly reporting requirement. We telephoned our prime recipients directing them to the FederalReporting.gov website used to register and report; we e-mailed Recipient Reporting Guidance to all recipients; we provided pre-populated report templates; and we posted guidance to the gsa.gov/recovery website. We also continued to leverage our call center to assist recipients with reporting questions. Our recipients have provided positive feedback about GSA's call center, and have expressed gratitude to our staff for assisting with the reporting process. I am proud to report that as of April 16, 2010, more than 99 percent of GSA's recipients have reported in 539 reports.

As of April 30, GSA has funded 2815 jobs (2768 including RWA work). PBS has funded 2683 jobs from PBS funds and an additional 85 jobs funded from RWAs.

Pre-Apprenticeship

Apprenticeship and pre-apprenticeship programs are an important part of our Recovery Act projects. GSA launched the pre-apprenticeship program with two contract awards to the Community Services Agency (CSA) of the Metropolitan Washington Council, AFL-CIO in Washington, DC, and Oregon Tradeswomen Inc. (OTI) in Portland, Oregon. On April 29, 2010, thirty women from OTI celebrated their graduation from a pre-apprenticeship program in the building trades. The graduates received training in trades including carpentry, sheet metal work, green building, and weatherization. They will now move on to new careers in the construction industry. CSA, OTI, and subsequent pre-apprenticeship program contract awardees will work with the Department of Labor to place the program graduates in registered apprenticeship programs at construction sites. The registered apprentices will gain on-the-job experience and industry-recognized credentials.

Oregon Tradeswomen Inc. Pre-Apprenticeship Graduation
April 2010

GSA has obligated the remaining $1.2 million allocated for pre-apprenticeship and apprenticeship training programs by modifying the original awards to OTI and CSA and made a final award to Warren Electrical Joint Apprenticeship and

Training Program. This program will service the Youngstown/ Warren/Dayton, Ohio area with an in-depth 8 month pre-apprenticeship program, beginning this fall.

Support to Other Agencies

In addition to GSA's Recovery Act program, we are supporting the real estate needs of other agencies that have received Recovery Act funding, such as SSA, DHS, DoS. As of May 14, we have entered into reimbursable work agreements with customer agencies totaling $428 million across 33 projects. In total, we anticipate receiving approximately $1 billion for Recovery Act projects from our customers. These projects include the following:

- Working collaboratively with SSA, GSA is working to deliver a new data center to replace the existing National Computer Center in Woodlawn, MD. SSA turned to GSA for assistance in locating, designing and building this new data center, which will meet the agency's expansion needs for the long-term. We are in the process of developing SSA's Program of Requirements for the new data center. After conducting a feasibility study, GSA's contractor validated SSA's initial concerns with building on campus and efforts resumed to pursue an off-campus location for the new data center. GSA is currently pursing possible locations for the data center.

- For the St. Elizabeths DHS' Headquarters consolidation, which provides space totaling 4.5 million gross square feet, GSA has accepted $199 million in reimbursable Recovery Act funds from DHS. Of this amount, over $161 million has been awarded. As described above, we are pursuing a number of exciting and innovative high performing green features for the DHS Headquarters; the buildings have been registered with the USGBC and we anticipate earning a LEED silver certification and are striving for Gold certification.

Conclusion

Congress entrusted GSA with a significant increase in funding to support the construction and modernization of high performance green buildings while quickly putting people back to work during these challenging economic times. We have risen to the challenge, and we are implementing our program rapidly and successfully.

Today, I have described GSA's accomplishments and contributions to our nation's economic recovery through our investments in green technologies and reinvestments in our public buildings funded by the American Recovery and Reinvestment Act of 2009. We look forward to working with you and members of this Committee as we continue to deliver this important work.

Questions Submitted in Writing by Congressman John L. Mica
for Ms. Mary Walsh
Chief of Staff, Public Buildings Service,
ARRA National Recovery Program Management Office
General Services Administration
House Committee on Transportation and Infrastructure
Hearing on "Recovery Act: Progress Report for Infrastructure Investments"
May 26, 2010

1. **Customs and Border Protection (CPB) (along with GSA and the Corps) plan to spend $7 million (originally obligated at $15.7 million) in Stimulus funds to renovate the Morses Line Port of Entry, on the U.S.-Canada border, in Vermont. The border station, which see 2[1]/2 cars an hour or 40 cats a day, is located in the middle of a Vethiont's family dairy farm and the owners of the dairy farm were told by CBP they must sell the hayfield for $39,500. The family (a representative of the family will be a witness on the last panel) does not want to sell, claiming the land is where they harvest hay to feed their dairy cows and will be placed out of business if they don't have that land. Now, the Corps is condemning it using the theory of eminent domain. Can you explain GSA's role in this process and what can be done to prevent this condemnation, which, contrary to the Stimulus, will actually put people out of work?**

Morses Line, VT is one of the ARRA projects funded by CBP. GSA is not involved in this project. The U.S. Army Corps of Engineers is under the direction of CBP and has been involved in this land acquisition effort.

2. **In the CBP Recovery Act Plan issued last year, the Morses Line border station is described as two stories and noted that the upstairs used to be officer residences "many years ago." Yet there is no further explanation of whether the upstairs is currently being used and how the building could be renovated to maximize space use. What justification was provided to you by CBP or by another agency that explains why the existing building and site is not sufficient?**

Morses Line, VT is one of the 43 land ports of entry owned and operated by CBP. Accordingly, GSA has not been involved in the renovations that might be proposed for this facility.

3. **How many jobs have been created by GSA from Stimulus money?**

Our infrastructure investments are projected to create or save over 60,000 job-years based on PBS total Recovery funding.

Period ending September 30, 2009

- 755 jobs created or retained
- 790 jobs including RWA work

Period ending December 31, 2009
- 1587 jobs funded
- 1646 including RWA work

Period ending March 31, 2010
- 2683 jobs funded
- 2768 including RWA work

4. Why has GSA only outlaid a very small percent of its total Stimulus money? From a Congressional point of view, job creation does not happen at obligation, rather it occurs right before outlays, thus outlays are the BEST predictor of when/if jobs are created.

GSA has outlayed more than 10 percent of the dollars obligated under the Recovery Act authority and we expect that outlay rate to accelerate through the summer and fall as more projects move from construction award into project work on the site. GSA makes partial or progress payments to contractors under both construction and service contracts as allowed under the FAR Prompt Payment Clause. As a normal business practice, GSA makes progress payments to its construction contractors based on completion of project milestones and achieved percentages of work completion over the life of the project.

It is important to note that contract award in itself, is a catalyst for money flowing through the economy. The contract with GSA allows contractors to pursue construction loans and begin expending funds prior to billing GSA and receiving Recovery fund outlays. GSA's obligations represent contract awards to our contractors. After we award a contract, contractors secure financing against our obligations, hire personnel, and start work on the project. Funds associated with new construction or repair and alteration projects are not immediately outlayed following contract award. These outlays are only made for completed deliverables of appropriate quality and in accordance with the terms of their contract. Outlays occur over the life of the contract and provide steady support for the economy over an extended period; not a jolt that lasts only a few months.

Once a contract is awarded, contractors ramp up and the early billing is primarily for bonds, materials purchased, shop drawings and organizational activities (preparing the schedule, sub-contractor planning, etc., items the government requests prior to the notice to proceed). As activities get underway, contractors will submit bills to GSA for work completed. For non- recovery projects, under the Prompt Payment Act and implementing regulations, we generally have 30 days to pay contractors against their invoices for services, and 14 days for construction. GSA regularly pays its construction contractors within that 14 day time frame. For all recovery projects, GSA has implemented accelerated payment procedures to pay contractors immediately upon receipt of a receiving reports from the COs/PM/CORs. This process equates to no more than 7 days maximum and cuts the construction payment process to less than half that time. The services payment process has been cut by 3 weeks. Progress payments serve the dual purpose of providing contractors with timely payment for services rendered, as well as protecting the Government from overpaying for work not yet received or completed. Advanced payments prior to provision of products or services would be imprudent and would obviate the incentive for contractors to expedite work or spend funds efficiently.

For Recovery funded projects, GSA is using delivery methods which will accelerate construction awards and may expedite fund outlays. For example, we are using Construction Manager as Constructor (CMc) and Design/Build. In Design/Build, the design and construction phases are integrated under a single contract. CMc is a variation of Design-Bid-Build, in which the CMc contractor is retained during design to provide constructability reviews and cost estimating validation. These methods get the construction contractor involved sooner than the traditional Design-Bid-Build method.

5. All Stimulus recipients must comply with Section 1512 and report on how many jobs they created, saved, or retained. Many Stimulus recipients are confused about how to report this information and are getting different guidance on how to report, depending on which agency they talk to. How is GSA verifying all the job reporting data to ensure accuracy?

In order to meet the recipient reporting requirements, PBS has implemented "targeted program-focused outreach and assistance". Our Recipient Outreach Call Center (Call Center) was established to provide support and assistance for answering any registration, reporting, and data quality inquiries. The Call Center is staffed with five full-time employees who perform outreach and address recipients' process-related questions and operates from 8:00 AM to 6:00 PM EDT, 5 days per week. We call each recipient via our Call Center to ensure that recipients: (a) understand their reporting responsibilities; (b) completed registration; (c) have received our guidance documents; and (d) understand reported data issues that require resolution.

GSA has a standardized approach to mitigate risk and promote completeness and accuracy of prime recipient reporting data. Pre-populated MS Excel templates are distributed to each Prime Recipient for direct upload to the FederalReporting.gov website. During the reporting phase, the call center contacts prime recipients for updates on report submission status and resolution of any issues identified during the data quality review process. GSA extracts the data from FederalReporting.gov daily to perform automated and manual data quality review.

6. Your staff has said that all Stimulus recipients "self-verify" the data they report regarding job creation. What does this mean, does GSA review the data?

Please see the response to question 5.

7. **What does it mean to "obligate" a project? What does it mean for GSA to issue a Notice to Proceed? Basically, the obligation merely puts money aside, but the Notice to Proceed is when a contractor can truly start to create/save/retain jobs, correct?**

Obligation is a financial term, defined by the Office of Management and Budget as a binding agreement that will result in outlays, immediately or in the future. An obligation occurs when a legally binding contract is signed by a contracting officer. This means that the Government has a contractual liability to pay for the services rendered under the contract. The recording of the obligation against the appropriation is done so that the accruals and payments can be made for the specific contract. The contractor cannot commence work under the contract until a Notice to Proceed (NTP) is issued. Because the Miller Act applies to construction contracts, the NTP is always contingent upon receipt of proper bonding and other pre-construction activities.

8. **The Government Accountability Office has highlighted the Federal government's increased reliance on leased space as one reason real property remains on its High Risk list. The Recovery Act authorized GSA to initiate design, construction, repair, alteration, and other projects through existing authorities of the Administrator. Existing authorities of the Administrator may include acquisition. In this economic climate, there may be more opportunities for GSA to purchase property at good prices. And, strategically purchasing property can also help to stabilize redevelopment projects that may be stalled. Is GSA exploring acquisition as a stimulus option?**

GSA will be looking for economically attractive purchase opportunities in our existing portfolio of leases and in the various markets where we have customer demand. We are we seek advantageous below-market deals when possible.

9. **In 1983, GSA made a number of acquisitions under the Building Purchase Program. This program resulted in an additional 3 8 million square feet of space, saved the taxpayer nearly $300 million in rent payments and now the property is valued at more than $500 million. In addition, these programs had a stimulus effect by helping local projects that may otherwise have been stalled. Can you talk about these programs and the benefits they provide to the taxpayer?**

As of fiscal year 2007, the total benefit of purchasing buildings, as opposed to leasing from the private sector, was $1.2 billion to the Federal Government. The market value of the buildings purchased was almost $500 million, while the estimated lease payments minus building related expenses (including purchase costs) saved the American taxpayers $280 million dollars.

By purchasing these buildings instead of leasing, the Federal Government had almost $500 million dollars available for reinvestment rather than using these funds for lease payments to the private sector. The current economic environment favors purchasing quality, existing, modern space in locations where there is a long-term Federal need.

10. Of the unobligated Stimulus money, how much is already slated for a project to be obligated? How flexible are those plans?

As of June 18, 2010, we have obligated $4.247 billion. We are on track to meet our next target of awarding $5 billion in total construction awards by September 30, 2010. The entire $5.55 billion is slated for projects and other mandates of the Recovery Act. All of the unobligated funds have been tied to specific projects and needs identified through our latest spend plan.

As we identify savings from projects underway, we revise the spend plan. This spend plan is provided to the Committee and linked to our website (www.gsa.gov/recovery) from the www.recovery.gov site. This plan reflects reallocated savings towards the enhancement, acceleration or funding of other projects. To date, we have revised our spend plan four times, in November, January, March, and June. These revisions represent a reallocation of more than $500 million.

GSA selected the best projects for accomplishing the goals for the Recovery Act based on two overarching criteria: Ability to put people back to work quickly and transforming Federal buildings into high-performance green buildings. GSA's spend plan comprises four lists with hundreds of projects in all 50 states, the District of Columbia, and two United States territories, divided into the following categories:

- New federal construction, including Land Ports of Entry
- Full and partial modernizations
- Limited scope projects
- Small projects

Our objective is to deliver projects "On Schedule, On Budget and On Green." We established and met aggressive targets to fulfill the intent of the Recovery Act including:

- $1 billion in contract awards by August 1, 2009
- $2 billion in total contract awards by December 31, 2009
- Over $4 billion in total contract awards by March 31, 2010

11. How did GSA choose the Stimulus projects? Where did "job creation" play in the evaluation?

GSA worked hard to choose projects that meet the intent of the Recovery Act and to review them with due diligence. Our project list was selected from an initial list of existing GSA pipeline projects, many of which are already designed, that could be quickly awarded.

We applied criteria to select those projects that would both put people back to work quickly and transform Federal buildings into high-performance green buildings. The development of our project list relied on selection criteria that included:

- Incorporation of high-performance features, with an emphasis on energy conservation and renewable energy generation;
- Early construction start date;
- High return on investment.

Many of the projects in the new Federal construction and building modernization categories had previously received partial funding. These projects were good candidates for Recovery Act funding and for infusing money quickly into the economy.

The Spend Plan comprises four lists with hundreds of projects in all 50 states, the District of Columbia, and two United States territories, divided into the following categories:

- New federal construction, including Land Ports of Entry
- Full and partial building modernizations
- Limited scope projects
- Small projects

STATEMENT OF KEVIN WELCH OF PCL CONSTRUCTION SERVICES, INC.
(ON BEHALF OF THE U.S. GREEN BUILDING COUNCIL)

BEFORE
THE HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

ON
RECOVERY ACT: PROGRESS REPORT FOR INFRASTRUCTURE INVESTMENTS

May 26, 2010

On behalf of the U.S. Green Building Council's (USGBC) more than 17,000 organizational members and nearly 80 local chapters, I would like to thank Chairman Oberstar and Ranking Member Mica for the opportunity to testify about the infrastructure investments the U.S. General Services Administration (GSA) is making as part of the American Recovery and Reinvestment Act (ARRA). My name is Kevin Welch, and I am a Senior Project Manager for PCL Construction Services, Inc., Denver District(PCL), one of the PCL family of companies.

Introduction

The U.S. Green Building Council is a national nonprofit organization working to address current climate and energy challenges by advancing more environmentally responsible, healthy and profitable buildings.

PCL, a proud member of USGBC, is a leader in delivering sustainable construction solutions to public and private clients throughout the United States. The PCL family of companies have constructed over 100 major projects to date evaluated or certified pursuant to USGBC's LEED rating system. The PCL family of companies' full time staff includes more than 320 LEED Accredited Professionals. One of PCL's core missions is to implement cost-effective, sustainable solutions for our customers. We achieve this goal by using construction methods and materials that minimize harmful effects to individuals and the environment, and result in reduced operating and maintenance costs. The utilization of sustainable construction by public owners such as the GSA results in a safer, more efficient end product and, ultimately, a higher return-on-investment for taxpayers.

The PCL family of companies has a century-long tradition of excellence, hard work and a partnering attitude and we aspire to be the most respected builder in the construction industry. The PCL family of companies is comprised of a group of independent construction companies which carry out operations across North America in the building, civil infrastructure, and heavy industrial markets. Together, these companies have an annual construction volume of more than $6 billion, making us one of the largest contracting organizations in North America, with offices located in 25 cities. The PCL family of companies are 100% employee owned. Our employees' shared investment is at the heart of our guiding principles of teamwork, mutual obligation, safety, effective communications, diversity, mobility and social responsibility and our core values of honesty, integrity, respect, dynamic culture and passion. PCL has had a longstanding partnership with the GSA and the USGBC and we are proud to have been invited to testify on their behalf.

The American Recovery and Reinvestment Act and GSA

Just over one year ago, GSA reports that ARRA provided GSA with $5.5 billion, which included $4.5 billion to convert existing GSA facilities into high-performance green buildings and $1.0 billion for the construction of new high-performance green Federal buildings, U.S. courthouses, and land ports of entry. These ARRA funds reportedly have had a tremendous impact on the economy while unemployment in the construction sector remains significant.[1]

One of the ARRA funded projects on which PCL has partnered with the GSA is the Utility Infrastructure Replacement Project located at the Denver Federal Center (DFC) in Lakewood, Colorado. Originally built in the early 1940's to support an ammunitions manufacturing plant, the DFC operates today as a campus for numerous specialized and mission critical agencies. The DFC covers approximately 670 acres and includes 60 buildings used as office, warehouse, laboratory and special-use space. According to the GSA, the DFC is home to approximately 6,700 federal employees representing a total of 33 U.S. government agencies, reportedly making it the largest concentration of governmental agencies outside of Washington, D.C.

Our project at the DFC consists of infrastructure improvements and upgrades designed to provide more reliable, robust and dependable services to the campus. The existing infrastructure, installed nearly 70 years ago, is reportedly well beyond the intended design lifespan and failing with ever increasing incidences. The infrastructure improvements, funded through the ARRA, are scheduled to be completed in 2012 and will provide reliable utility service to the DFC in the years to come and will further expand on the GSA's reported vision for a more sustainable campus. Examples of these new utility services include; total replacement of the domestic and fire service water distribution systems complete with redundant supply mains, a new five hundred thousand gallon water storage facility and a new pump house with solar panels. The project also includes new and rehabilitated sanitary and storm sewer services, new and upgraded electrical distribution lines, paving and flood drainage and storm water collection improvements. After completion there will be approximately 21 miles of new and improved utilities within the project, increasing the reliability and sustainability of the campus.

The GSA awarded a contract to PCL in early 2007 to provide construction management pre-construction services during the design phase of the DFC Utility Infrastructure Replacement Project. PCL also bid pricing options which could be exercised by the GSA for both the construction and the construction management services which were to follow the completion of the design and pre-construction services. Due to funding constraints reported by the GSA, the construction of the project was postponed in 2008 after the award of the contract but prior to the commencement of the construction phase. Although the project design and all necessary pre-construction services were complete at this time, the GSA was unable to authorize PCL to commence the construction phase of the contract due to a lack of appropriated funds. In February of 2009, the American Recovery and Reinvestment Act was signed into law by President Obama. As a direct result of ARRA, GSA was able to allocate the more than $45,000,000 necessary to fund the construction phase of

[1] Bureau of Labor Statistics, "Employment Situation Summary." United States Department of Labor, 2 April 2010 <http://www.bls.gov/news.release/empsit.nr0.htm>

the DFC Utility Infrastructure Replacement Project which, as noted, will significantly improve the aged infrastructure of the DFC and increase the overall readiness, reliability and sustainability of what is reported to be the largest federal complex in the western United States. Construction was able to re-commence almost immediately following the allocation of ARRA funds to the GSA.

In February 2009, the DFC Utility Infrastructure Replacement Project was the epitome of a "shovel-ready" project. Due solely to ARRA funding, the GSA was able to quickly implement the project, thus after confirming its budget and schedule, GSA authorized PCL to proceed with construction in May of 2009. As indicated in the 2010 first quarter ARRA reporting for the project, over 98 new and retained jobs have been created as a result, with nearly 51,000 man-hours reported by PCL and our 27 subcontractors collectively. The jobs created and retained as a result of this project will necessarily help to stimulate and grow our local economy and the direct benefits of these jobs on the employees of PCL and our subcontractors who have the opportunity to construct this critical project are self-evident in this challenging economy.

This project is just one of many underway at the DFC and one of a litany of other projects utilizing GSA recovery funds. As of March 31, 2010 GSA reportedly obligated over $4.3 billion in ARRA funds, including $4 billion for Federal buildings. GSA reports that it has awarded construction contracts to more than 500 companies in 50 States, 2 U.S. territories, and the District of Columbia utilizing ARRA funds.[2]

On behalf of USGBC, I would like to commend Congress, and the Administration for your leadership in including these provisions in ARRA. Not only have these programs put Americans back to work but importantly, their inclusion sends the critical signal that building green is an essential element in reducing the federal government's environmental and operating footprint – and an essential strategy for this country's recovery.

Government and Green Building

Governments at all levels have been highly influential in the growth of green building, both by requiring LEED for their own buildings and by creating incentives for LEED for the private sector. Currently, the USGBC reports that 14 federal agencies or departments, 34 states, 200+ local governments, 17 public school jurisdictions and 41 higher education institutions have made various policy commitments to use or encourage LEED. Indeed, Government-owned or occupied LEED buildings reportedly make up 29% of all LEED projects. According to the USGBC, the federal government has 221 certified projects and another 3349 pursuing certification. State governments have 391 certified projects and 1993 pursuing certification. Local governments have 576 certified projects and 3196 pursuing certification.

[2] Johnson, Martha. Statement to the House Appropriations Committee, Subcommittee on Financial Services and General Government. *GSA FY2011 Budget*, Hearing, April 28, 2010 <http://appropriations.house.gov/images/stories/pdf/fsdc/Martha_Johnson.4.28.10.pdf>.

In 2006, the GSA--the nation's largest civilian landlord--submitted a report to Congress evaluating the applicability, stability, objectivity, and availability of five different sustainable building rating systems.[3] Based on this study, GSA concluded that LEED "continues to be the most appropriate and credible sustainable building rating system available for evaluation of GSA projects."[4] In particular, GSA noted that LEED "[i]s applicable to all GSA project types; [t]racks the quantifiable aspects of sustainable design and building performance; [i]s verified by trained professionals; [h]as a well-defined system for incorporating updates; and [i]s the most widely used rating system in the U.S. market."[5] GSA currently requires its new construction projects and substantial renovations to achieve LEED certification.[6] All new construction and major building modernization projects utilizing ARRA funds will achieve at least a LEED Silver certification.[7]

Recommendations for Further Action

Please note that the recommendations set forth herein are those of the USGBC, of which PCL is a member, but are not the recommendations of PCL or the PCL family of companies, who have no corporate position on these matters.

While not the subject of this hearing USGBC encourages Congress to take action to help GSA operate more effectively.

Power Purchasing Agreements

Under current authority, GSA may enter into contracts for public utility services for a period of ten years. Absent changes to the length of contracts, however, GSA does not have the flexibility to enter into energy agreements with renewable power developers, who often require longer contract periods to deliver increased capacity. Allowing GSA to enter into contracts for renewable energy utility services for longer periods

[3] Pacific Northwest National Laboratory (operated for the U.S. Department of Energy by Battelle), *Sustainable Building Rating Systems Summary* (July 2006), completed for General Services Administration under Contract DE-AC05-76RL061830, *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1915.*

[4] Letter dated Sept. 15, 2006 from GSA Administrator Lurita Doan to Sen. Christopher Bond, Chairman, Subcommittee on Transportation, Treasury, the Judiciary, HUD, and Related Agencies, Committee on Appropriations (accompanying report), *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1916; see also* Pacific Northwest National Laboratory (operated for the U.S. Department of Energy by Battelle), *Sustainable Building Rating Systems Summary* (July 2006), completed for General Services Administration under Contract DE-AC05-76RL061830, *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1915.*

[5] Letter dated Sept. 15, 2006 from GSA Administrator Lurita Doan to Sen. Christopher Bond, Chairman, Subcommittee on Transportation, Treasury, the Judiciary, HUD, and Related Agencies, Committee on Appropriations (accompanying report), *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1916.*

[6] U.S. General Services Administration, Sustainable Design Program, *available at* http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8195&channelPage=%252Fep%252Fchannel%252FgsaOverview.jsp&channelId=-12894.

[7] Johnson, Martha. Statement to the House Appropriations Committee, Subcommittee on Financial Services and General Government. *GSA FY2011 Budget*, Hearing, April 28, 2010 <http://appropriations.house.gov/images/stories/pdf/fsdc/Martha_Johnson.4.28.10.pdf>.

would enable GSA to benefit from continuous, local power and would help to insulate the agency from fluctuations in energy costs. Such a change would assist GSA's compliance with the Energy Policy Act of 2005, which requires at least 7.5% of federal agency energy consumption to be from renewable sources in 2013, the 2030 net-zero building goals of the Energy Independence and Security of Act of 2007 and Executive Order 13514, and the government-wide greenhouse gas emission reduction target of 28%by 2020.

Legislation introduced in the House of Representatives, H.R.175, and the Senate, S.3251, would allow GSA to extend the length of renewable energy contracts beyond 10 years. Similar language is contained in H.R. 2454, the "American Clean Energy and Security Act." USGBC recommends the adoption of such policies as a powerful means of jumpstarting the renewable energy sector and leveraging the significant purchasing power of the federal government.

Expanded Education and Training

The investments being made as a part of ARRA are significant. To leverage effectiveness there must be a continuous effort to ensure these assets are operated and maintained after construction.

H.R. 5112, the "Federal Buildings Personnel Training Act of 2010" introduced by Rep. Russ Carnahan (D-MO) and Rep. Judy Biggert (R-IL) will ensure that GSA, identifies competencies that federal buildings personnel should possess and ensure that they demonstrate them. The Senate Committee on Environment and Public Works has recently approved companion legislation. USGBC encourages this committee to take similar action.

About the U.S. Green Building Council and LEED

USGBC is a 501(c)(3) nonprofit membership organization working to transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life. Our more than 17,000 member organizations and 91,000 active volunteers include leading corporations and real estate developers, architects, engineers, builders, schools and universities, nonprofits, trade associations and government agencies at the federal, state and local levels.

The organization is governed by a diverse Board of Directors that is elected by the USGBC membership. Volunteer committees representing users, service providers, manufacturers, and other stakeholders steward and develop all USGBC programs, including the LEED (Leadership in Energy and Environmental Design) rating system, through well-documented consensus processes. A staff of more than 200 professionals administers an extensive roster of educational and informational programs that support the LEED Rating System in addition to broad-based support of green building.

USGBC's LEED Professional Accreditation program, workshops, green building publications, and the annual Greenbuild conference provide green building education for professionals and consumers worldwide. USGBC has trained more than 150,000 professionals through its green building workshops, and attracted nearly 30,000 attendees from around the globe to its most recent Greenbuild conference.

Educational programs are delivered locally through USGBC's more than 70 Chapters and Affiliates, through the Web, and at conferences and events all over the world.

Statement of Edward Drusina
United States Commissioner

International Boundary and Water Commission
United States and Mexico

Before the Committee on Transportation and Infrastructure
U.S. House of Representatives
May 26, 2010

Chairman Oberstar, Ranking Member Mica, and Members of the Committee, thank you for the opportunity to update you on the progress made by the U.S. Section of the International Boundary and Water Commission (USIBWC) toward implementation of the American Recovery and Reinvestment Act of 2009 (Recovery Act). We continue to advance on the Recovery Act Rio Grande Flood Control Project.

The Recovery Act appropriated $220 million to USIBWC's construction account for the Rio Grande Flood Control project to fund immediate infrastructure upgrades along 506 miles of flood control levees maintained by the USIBWC along the Rio Grande. Of that amount, up to $2 million may be transferred to our salaries and expenses account in support of this activity and we project that a total of $1 million will be expended for salaries and expenses toward Recovery Act implementation through September 2010.

The Recovery Act funding will allow rehabilitation of over 250 miles of deficient levees, including Rio Grande levees and levees in the interior floodways in the Lower Rio Grande Flood Control Project in south Texas. Since bids have been below previous government estimates, the USIBWC will be able to undertake approximately 75-80 additional miles of levee rehabilitation with Recovery Act funding than originally anticipated. This work will be done in Dona Ana County, New Mexico and El Paso, Presidio, Hidalgo, and Cameron Counties, Texas. In doing so, we will enhance the protection of lives and property of over two million border residents and bring our levee system into compliance with standards established by the Federal Emergency Management Agency (FEMA) for a 100-year flood event. Reducing the risk of flooding along the Rio Grande by rehabilitating deficient portions of these levee systems will provide increased safety to border residents and to business communities as well as encourage future economic growth and development.

As of May 14, 2010, we have obligated $146.3 million in construction funds. We anticipate obligating the remaining balance in the amount of $73 million between May and September, thereby obligating all of the Recovery Act funding appropriated to our construction account ahead of the September 30, 2010 deadline.

All contracts are awarded in accordance with a federal program targeting qualified small businesses located in distressed areas. We awarded our first construction contract in the amount of $951,000 on July 24, 2009 for repair work along three miles of the Banker Floodway North Levee in Hidalgo County, Texas. This work has been completed. On August 31 we awarded a $19 million contract to construct levee improvements along a 43-mile reach of the Main Floodway in Hidalgo County, Texas. The project will provide enhanced flood protection for the communities of McAllen, Hidalgo, Pharr, San Juan, Alamo, Donna, and Weslaco, Texas. On October 19, we awarded a contract in the amount of $21 million to construct 48 miles of levee improvements along the North Floodway and Arroyo Colorado in Hidalgo and Cameron Counties, Texas. The work will provide enhanced flood protection for the communities of Weslaco, Mercedes, La Villa, and La Feria.

On December 30, we awarded three separate contracts totaling $50 million to construct levee improvements along the Upper reach of USIBWC's the Rio Grande Flood Control Project, improving over 75 miles of levees. This effort will provide enhanced flood protection for the communities in the counties of Dona Ana, New Mexico, and El Paso, Texas. A fourth contract awarded as well on December 30, in the amount of $19 million, was to construct 13 miles of levee improvements along the Lateral A to Retamal Dam levees in Hidalgo County, Texas. In addition, we have awarded approximately $27 million for environmental, geo-technical investigations, and design services.

We expect to continue to award construction contracts through the fourth quarter of this fiscal year, and plan to have all construction contracts for levee improvements in the Lower Rio Grande Valley of south Texas awarded by the end of September 2010. Additional construction contracts will be awarded during the third and fourth quarters of 2010 for levee rehabilitation in the Upper Reach of south New Mexico and West Texas. All planned construction undertaken with Recovery Act funding is expected to be completed by November 2011.

As noted in my previous testimony, USIBWC's progress is reported weekly on the Recovery web site, www.Recovery.gov, and on the Department of State Recovery web site, www.state.gov/recovery. Additional details on the scope of our project and our project schedule can be located at http://www.ibwc.state.gov/Recovery/Index.html. All contracting actions are posted on http://www.fedbizops.com and are reported in the Federal Procurement Data System (FPDS).

USIBWC continues to be proud of the progress we have made to date and is pleased to be contributing to this important effort to bring about economic recovery, while at the same time providing long-term public benefits and infrastructure improvements to the U.S.-Mexico border.

STATEMENT OF DAVE WHITE, CHIEF
NATURAL RESOURCES CONSERVATION SERVICE
U.S. DEPARTMENT OF AGRICULTURE
BEFORE THE
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
MAY 26, 2010

Mr. Chairman, thank you for the opportunity to provide a progress report on the status of the American Recovery and Reinvestment Act of 2009 (Recovery Act) funding administered by USDA's Natural Resources Conservation Service (NRCS). Through the funding provided by the Recovery Act, NRCS has invested in numerous conservation projects that are projected to create or save 6855 jobs in communities across the country. To date, recipients of NRCS Recovery Act funding have reported job creation and retention for the first three quarters as follows: 380, 159, and 240.

The Recovery Act provided funding for three NRCS programs:

Watershed Rehabilitation Program	$ 50,000,000
Watershed and Flood Prevention Operations Program	$145,000,000
Floodplain Easements - Emergency Watershed Protection Program	$145,000,000

The NRCS programs funded through the Recovery Act provide significant public and environmental benefits through the restoration of floodplains and investments in watershed improvements and critical infrastructure. These benefits include reduced threats and damage from flooding; floodplains restored to natural conditions; erosion control; improved water quality; enhanced fish and wildlife habitat; and improved quality of life through expanded recreational opportunities and added community green space. Watershed rehabilitation projects will mitigate the risks of failure and threats to public safety posed by aging flood control infrastructure. As of May 10, 2010, NRCS has obligated over $196 million ($21 million for Watershed Rehabilitation, nearly $75 million for Watershed and Flood Prevention Operations, and over $100 million for Floodplain Easements) of the $340 million available through the Recovery Act. As we move into the summer construction season and improved weather, we expect project obligations to increase and construction to accelerate on additional projects throughout the countryside. NRCS expects to obligate Recovery Act funds by September 30, 2010.

Last month, I participated in a milestone event for our Recovery Act programs at the Turkey Creek Site #3 dam in Garfield County, Oklahoma. This is the first completed Watershed Operations upstream flood control dam project funded through the Recovery Act. The construction was certified complete on February 17, 2010 – one year after President Obama signed the Recovery Act into law. This project provides $19,000 in annual flood damage reduction benefits, and reduces erosion by 6,700 tons per year. Local project sponsors, partners and NRCS staff worked quickly to take action on this project and meet the objectives of the Recovery Act.

In June, I have the opportunity to join the Colville Tribe on Omak Creek in Okanogan County, Washington. The Tribe will be holding a First Salmon Ceremony to celebrate the return of the salmon to Omak Creek. With previous NRCS assistance in removing fish barriers, the Tribe was able to hold this ceremony in 2006 for the first time in 70 years. Fish barriers had kept salmon from migrating into Tribal waters for decades. The Recovery Act funded a Watershed Operations project to open additional fish passages that will bring more steelhead trout and Spring Chinook salmon, both culturally-significant species, back to Tribal waters.

These are just two events recognizing the impact of Recovery Act funding on rural communities across the country, but we expect more as work on Recovery Act projects is completed.

NRCS testimony before the Committee on February 26, 2010 detailed specific program authorities and several projects. Today NRCS testimony will highlight the agency's progress in delivering Recovery Act funds to local projects and review a few specific projects.

Watershed Rehabilitation Program

Recovery Act Funding: $50,000,000

The Watershed Rehabilitation Program exists to rehabilitate or decommission aging or unsafe dams owned and operated by sponsors that are ready and willing to begin rehabilitation. More than 11,000 dams in 47 States are eligible for assistance under the Watershed Rehabilitation Program authority. Many of these dams are over 50 years old and are beyond or are nearing the end of their design life. Rehabilitation of these dams helps address critical public health and safety issues in these communities.

Twenty-six projects in 11 States were originally selected for Recovery Act funding, and 21 projects in 10 States remain active. As of May 10, 2010, NRCS has obligated just over $21 million for these projects and construction has commenced on four of these dams. Five projects withdrew from Recovery Act participation due to a variety of factors including engineering challenges, land rights issues, and sponsor cost-share requirements. The remaining projects will help revitalize rural economies by creating or saving jobs, and by supporting local businesses that supply products and services needed for construction. These projects will not only ensure that the flood control dams remain safe and protect lives, but will also continue to provide for recreation and wildlife habitat for decades to come. Following are two examples of Watershed Rehabilitation Recovery Act projects:

Structural Repair, 5 different sites, GA: $6.2 million in Recovery Act funds are being used to upgrade five dams in Georgia to meet current safety standards. Approximately 500 residents will be protected from flooding when completed. The total annual flood damage reduction and water supply benefits for these projects exceed $650,000.

Lost Creek Site 2, MO: $400,000 in Recovery Act funding for the Lost Creek Site 2 project in Missouri will result in the rehabilitation of a flood control structure and provide an estimated $46,000 in annual benefits. When completed, the dam will provide protection to 10 residents and five bridges.

Watershed and Flood Prevention Operations Program (WFPO)

Recovery Act Funding: $145,000,000

NRCS provides technical and financial assistance to States, local governments and Tribes (as project sponsors) to implement authorized watershed project plans for watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation, restoration and protection.

Recovery Act funds continue to be obligated on WFPO projects for completion of permit mitigation obligations or structural repairs, or for land treatment through the application of conservation practices. Recovery Act funds will also be used for new construction projects that are already authorized, beneficial to the environment, and have sponsors that are ready to begin work.

NRCS has obligated $75.2 million and signed 284 contracts for 83 of the 87 planned projects. Of these projects, contracts have been awarded and construction has begun on 53 projects totaling $61.7 million. Following are a few examples of WFPO projects selected for funding through the Recovery Act:

Santa Cruz River, NM: The Recovery Act provided $240,000 for structural repair to an existing flood control dam in Santa Fe and Rio Arriba Counties, New Mexico. This project protects 1,400 residents, 350 small farms, and a number of businesses and public bridges and buildings. Repairing this dam provides public health and safety due to reduced flood damage and the reduced danger to and need for emergency personnel. Once this structure is functioning properly, we expect a reduction in flood damage valued at over $357,230 annually. The construction contract has been awarded and work began May 2010.

Lower Silver Creek, CA: The Recovery Act provided $19,000,000 for flood prevention construction projects in Lower Silver Creek Watershed in Santa Clara County, California. This project will provide flood protection to approximately 16,000 people and businesses, schools, highways and infrastructure used by 250,000 people. The project will enhance nearly 2.3 miles of stream corridor and flood plain functions; create 3.4 acres of wetland habitat and low flow channel for fish passage; and establish 6.3 acres of riparian trees and shrub plantings for increased shade, habitat values and improved aesthetics along the creek. Construction on this project began in October 2009. When completed, the project will provide flood protection along the 2.3-mile stretch of creek for 16,000 people as well as businesses, schools, highways, and infrastructure used by 250,000 people. It will create 3.4 acres of urban wetland habitat and low flow channel for fish passage and 6.3 acres of riparian plants adding shade, habitat and creekside aesthetics. Citizens will enjoy community beautification, and public health and safety improvements.

Floodplain Easements - Emergency Watershed Protection Program (FPE-EWPP)

Recovery Act Funding: $145,000,000

The Emergency Watershed Protection Program (EWPP) provided for the purchase of floodplain easements as an emergency measure. Floodplain easements restore, protect, maintain, and enhance the functions of a floodplain; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; reduce long-term federal disaster assistance; and safeguard lives and property from floods, drought, and the products of erosion.

As of May 10, 2010, NRCS has obligated over $100 million for the purchase of easements, restoration and technical assistance under this program. NRCS initially allocated funds for 289 easement acquisitions nationwide. Over time, 107 transactions were withdrawn, and an additional 74 replacement projects were added. NRCS has closed on 138 easements with payments made totaling $46,228,177. As easements close, restoration efforts commence, and we anticipate expenditures of nearly $19 million over the next 12 months. NRCS intends to work with landowners to complete restoration on easements by December 30, 2010. Any remaining restoration work will be completed by spring 2011.

Since last reporting, NRCS has funded an additional 22 projects representing 4,000 acres in four states totaling $13.7 million, primarily through cost savings achieved on other projects and withdrawn applications. NRCS now expects to enroll a total of 38,059 acres on 256 easement acquisitions through the Recovery Act.

Following are three examples of EWPP Floodplain Easement projects selected for funding through the Recovery Act:

Iowa: Restoration work will be completed on 22 floodplain easements throughout Iowa. The original restoration cost estimate of these easements was $1,091,467, but the amount obligated under contract for restoration is $440,999. The savings will fund additional easements and restoration activities. Three FPE projects protect 458 acres along the Chariton River, and directly affect the water quality of Rathbun Lake, a recreational use and water supply lake for 17 counties in southeast Iowa and north central Missouri. During recent spring flooding, these projects protected the water quality of the lake by providing erosion control and elimination of nutrients and pesticides needed for crop production.

Kentucky: In Kentucky, 316 acres of cropland were secured from two landowners and placed under permanent conservation easements at a cost of $1 million. These easements are located in Ballard County at the confluence of the Mississippi and Ohio Rivers, where flooding occurs annually. These properties will be restored to bottomland hardwood forests, providing habitat for the federally endangered Indiana Bat and American Bald Eagle. These easements complement efforts by other private, State and Federal conservation interests to restore wetlands and improve wildlife habitat in the area, resulting in a larger, contiguous block of restored wetlands. **Oregon**: Floodplain easement restoration contracts have been awarded for $618,708 for two projects in Oregon. Site preparation and planting have begun on 165.7 acres and will continue on 55.7 acres this fall, including 144,500 native trees and shrubs to stabilize soils, capture sediment, slow flood waters, and establishing native pollinator habitats to support the sustainability of nearby cropland.Benefits include increased floodwater storage, water quality improvements, and wildlife habitat along the approximately two miles of the Willamette River, including fish barrier removal to allow flood water free flowing connectivity to the river and the adjacent floodplain.. The 221.4 acres were in cropland prior to enrollment in FPE.

Transparency and Accountability

In furtherance of accountability and transparency objectives, and to complement existing automated systems which track financial and technical assistance allocated for approved projects, NRCS regularly evaluates and monitors the risk associated with individual projects.

Projects are evaluated against multiple factors that contribute to implementation success. These include milestone status and progress, total cost, sponsor viability, and overall complexity. This assessment enables resources to be applied in a targeted approach. Regional Conservationists, State Conservationists, National Headquarters staff, and state teams form a communications web in which strategies are developed to address at-risk projects. Discipline-specific assistance is provided to states by program managers, engineers, contracting specialists, and other experts as needed. In addition, the Office of Inspector General continues audit oversight of NRCS Recovery Act activities, and NRCS is cooperating with OIG in furtherance of these efforts.

Summary

NRCS has moved quickly to identify worthy and environmentally beneficial projects for the $340 million in Recovery Act funding provided for Watershed Rehabilitation, Watershed Operations, and Floodplain Easements. NRCS has obligated over $196 million as of May 10, 2010 and we expect obligations to increase over the next few months as we enter the summer construction season and improved weather that allow for increased work on the ground. NRCS understands that Congress and the public will hold the Federal government to the highest standard of accountability for Recovery Act funding. We are committed to expending these dollars in the most expeditious, transparent, and cost-conscious way possible.

House Committee on Transportation and Infrastructure
Smithsonian Institution
Dr. G. Wayne Clough, Secretary
P.O. Box 37012
Washington D.C. 20013-7012
202.633.5125
May 26, 2010

Under the American Recovery and Reinvestment Act (ARRA), the Smithsonian Institution (SI) received an appropriation of $25,000,000 for "Facilities Capital," repair and revitalization of existing facilities. The Smithsonian has been using these funds to accomplish 16 projects across the Institution. By the end of October 2009, all of the 16 facilities improvement projects were awarded, totaling $21.7 million (87% of the funds appropriated). The remainder was reserved for contingencies, consistent with best practices. All but two of the construction projects were awarded competitively to local Small Business/8a firms.

As part of the initial planning for the $25 million appropriation, SI prepared Independent Government Estimates that anticipated the projects to cost approximately $21.7 million. This allowed SI to have funds available for a $3.3 million contingency for unforeseen conditions. Once all the procurement processes were completed on June 15, 2009 and money was obligated to the planned projects, the total contract costs were $16.7 million. This significant savings from the original plan was the result of a reduction in construction costs due to lower pricing in the competitive economic environment. As a result, the ARRA projects were analyzed for the potential to increase quantities of already specified and designed work.

This analysis resulted in additions to scope in some of the contracts. The additional scope included an increase in the quantity of hazardous materials being removed at the Arts and Industries Building (AIB) for the AIB Demolition/Hazmat Removal project; an additional elevator was added to the elevator renovation project at National Museum of American History (NMAH); an additional escalator bank was added to the escalator renovation project at National Air and Space Museum (NASM); additional roof replacement projects were added at the National Zoo (NZP): a generator foundation was added at Smithsonian Environmental Research Center (SERC) for the Emergency Generator project; and an additional quantity of waterline was added at NZP-Front Royal to the Utility Loop project. These quantity increases resulted in an additional $5 million in obligations.

At the end of April 2010, the total amount obligated for the Stimulus Projects was $23.8 million and $17 million of that obligation was expensed. Of the unobligated $1.2 million that had been held back for contingencies, approximately $820,000 will be obligated by the end of May 2010.

The original schedule for the ARRA projects identified the procurement process beginning in February 2009 with the last contract award occurring no later than

September 30, 2009. The actual completion date for the procurement process for all the ARRA projects was October 15, 2009. The execution of the work was originally planned to commence on June 15, 2009 with the last project finishing no later than December 31, 2010. Work actually commenced on June 6, 2009 and is still expected to finish no later than December 31, 2010. The December 31, 2010 date is based on the current scope of work and does not include any additional time for increases in scope.

Reporting of jobs created and expenditures of funds is a requirement of the Act. The recipient contractors for the SI Stimulus projects have successfully completed the first three reporting cycles. As part of the planning process, SI originally estimated that 110 jobs would result from the ARRA appropriation. The first quarter reports of FY 2010, utilizing contractor-supplied information, identified a total of 147 jobs that actually resulted from the ARRA appropriation. For the second quarter of FY 2010, the contractors identified 49 jobs, a decline from the previous quarter due to the completion of the bulk of the work on the Stimulus Projects.

The Smithsonian Institution will also meet the energy efficiency and green building requirements of the Recovery Act. All of the projects on the Recovery Act list are deemed to have some aspect of increased energy efficiency or other sustainability in their scopes of work. For example, the AIB projects, although mainly exterior masonry repairs and hazardous material removal, are precursors to the sustainability efforts of an insulated roof, walls, and windows, and replacement of all failing mechanical/electrical utilities with more energy-efficient equipment. Every Zoo project (e.g., work to replace deteriorated facilities and repair roads and bridges) includes some form of storm drainage, high-reflectance, or high-efficiency electrical replacement that is sustainable. The other sustainable projects will increase safety and concentrate on areas such as conserving and ensuring a clean domestic water supply, providing more energy-efficient vertical transportation, and giving the Institution access to a more efficient back-up power source at a lower cost.

In sum, the Smithsonian Institution is using Recovery Act resources to focus on facilities revitalization projects that improve the safety and security of our buildings and the collections, and thus enhance our service to the American people.

Smithsonian Projects

Below are the projects that are being accomplished with Smithsonian Recovery Act funds with a description of work being accomplished in each project:

- Arts and Industries Building (AIB) — Washington, DC ($5.1 million)
    - Repair exterior masonry: Repair approximately 13,000 linear feet (lf) of brick mortar joints and clean approximately 73,000 square feet (sf) of exterior masonry wall area.

- Demolish selected portions of interior and remove hazardous materials: The demolition project is estimated to generate 373.5 total tons of non-hazardous materials being removed. Of that total, 87%, or 325 tons, is estimated to be recycled or salvaged. In addition, approximately 200 total tons of hazardous materials are being removed and properly handled and disposed. This high quantity of hazardous materials was due to the drywall joint compound containing asbestos (installed in the early 1970s), which resulted in the disposal of the entire sheet of drywall.

- National Zoological Park ($10.0 million)

    - Install fire-protection equipment and approximately 4,000 lf of sprinkler pipe in three existing buildings.
    - Replace medium voltage switchgear and transformers at seven locations.
    - Repair three two-lane bridges, including resurfacing and deck repairs.
    - Replace roof and renovate exterior of four buildings at Research Hill and the Lion and Tiger complex. The roof replacement square footage is made up of the following quantities: Bio Research Building roof is approximately 14,260 sf; Necropsy Building roof is approximately 2,000 sf; Vet Hospital roof is approximately 24,500 sf; and the Lion Tiger roof is approximately 5,300 sf.
    - Replace roof at the Police Station totaling approximately 6,000 sf.
    - Replace roof and renovate exterior of three barns and animal-holding facilities at Conservation and Research Center in Front Royal, VA.
    - Installation of approximately 5,000 lf of waterline at Conservation and Research Center in Front Royal VA.

- Other Smithsonian Projects ($9.9 million)

    - Install 28 high-voltage network protectors for electrical safety improvements at three buildings: SI Castle, NMAH, and Reynolds Center.
    - Install sewage backflow preventers on potable domestic and fire water lines at multiple locations off the National Mall. These locations include three backflow preventers and waterlines for the Garber Facility, one backflow preventer and associated waterline for the Museum Support Center Greenhouses and one backflow preventer and

associated waterline at NMAI Cultural Resource Center, all located in Suitland, Maryland.
- Install 1000 KW emergency generators at the Smithsonian Environmental Research Center in Edgewater, Maryland.
- Refurbish or replace two elevators and four escalators at the National Air and Space Museum and National Museum of American History.
- Hire temporary/contract support personnel to manage ARRA work.

Smithsonian Review of Recovery Act Projects

Details on the progress of each project can be found on the Smithsonian's Recovery Act website at: http://www.smithsonian.org/recovery. The progress chart tracks: 1) the posting of pre-award notices on www.fedbizopps.gov; 2) the posting of Requests for Proposals (RFPs); 3) the RFP due dates; 4) contract award dates; 5) project obligations; 6) project expenses; and 7) percentage of project completed. The Institution evaluates progress by tracking whether the project is on schedule and within the estimated cost projections. Contractors will provide periodic progress reports that are used by the Institution program managers to validate and assess the contractor's performance.
In addition to tracking the above major milestones for each project, the Institution is also tracking:

- Percent of actual obligations as compared to the plan
- Percent of Recovery Act revitalization projects completed
- Manpower and Job Creation for each project

###

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COAST GUARD STATEMENT FOR THE RECORD
ON THE
"RECOVERY ACT: PROGRESS REPORT"

HOUSE COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTUIRE

MAY 26, 2010

The Coast Guard thanks the Chairman and distinguished members of the Committee for the opportunity to provide an update on the Coast Guard's progress regarding funding received from the American Recovery and Reinvestment Act (ARRA) (P.L. 111-5). The ARRA provided the Coast Guard with $240 million to address critical priorities within our Alteration of Bridges Program and address critical projects for our shore infrastructure and our High Endurance Cutter fleet.

Since I last testified in February, we have now awarded contracts on all of the bridge projects, all of the vessel projects, and are continuing on our plan for the award of the shore projects, which are on track for award and obligation by the end of fiscal year 2010.

Additionally, as we have awarded several projects below original estimates, we are currently working with Department of Homeland Security Headquarters to identify two additional shore Acquisition, Construction and Improvements (AC&I) projects for execution in order to fully leverage all appropriated funds from the Recovery Act. These critical projects are ready for immediate execution and will serve to help boost the economy in two additional communities.

I. ALTERATION OF BRIDGES PROGRAM

The ARRA provided $142 million for alteration or removal of obstructive bridges, as authorized by section 6 of the Truman-Hobbs Act (33 U.S.C. 516).

ARRA funds allow for the completion of four projects to alter bridges found to be unreasonably obstructive to navigation. These construction projects offer numerous benefits: employment for the construction sector and local communities; long-term economic returns; and improved safety and efficiency on navigable waterways. Most significantly, the rebuilt bridges will enhance the safety of navigation by preventing allisions. For example, the Galveston Causeway Bridge has suffered at least 99 allisions over a 10 year period causing $4.2 million in damages to both the bridge and vessels. The four bridges combined will see an $18 million estimated annual navigational benefit from the improvements. Further, these projects leverage an additional $120.4 million of previously obligated Bridge Alteration appropriations already allocated to these projects. As such, the ARRA appropriation is infusing $262 million into the economies of four different states, as well as national suppliers of equipment and materials associated with the projects.

All four Alteration of Bridges contracts have been awarded and work has begun on three of the four bridge projects; work will begin on the final bridge on June 1, 2010. I anticipate a continued escalation of on-site project activity through the summer months.

An update of the four bridge projects funded via the ARRA, including current status, follows:

1. **Mobile Bridge** (Mobile River), Alabama
   - ***Execution Strategy*:** Competitive bid process.
   - ***Accomplishments to Date & Future Milestones:***
     - Contract awarded on August 20, 2009, and construction work started early September 2009.
     - To date, a significant portion of the structural steel, machinery, and electrical items have been fabricated. A great portion of the bridge foundation is completed.
     - Construction completion is anticipated by September 2011.

2. **Elgin, Joliet & Eastern (EJ&E) Bridge** (Illinois Waterway), Illinois
   - ***Execution Strategy:*** Competitive bid process.
   - ***Accomplishments to Date:***
     - Contract awarded on October 1, 2009, and construction work started November 2009.
     - The fabrication of the structural steel, machinery, and electrical items is ongoing.
     - Construction completion is anticipated by November 2011.

3. **Burlington Bridge** (Upper Mississippi River), Iowa
   - ***Execution Strategy:*** Competitive bid process.
   - ***Accomplishments to Date:***
     - Contract awarded on July 31, 2009, and construction work started early September 2009.
     - To date, a significant portion of the structural steel, machinery, and electrical items have been fabricated.
     - Contractor is currently drilling the new bridge shafts and construction work is on schedule.
     - Construction completion is anticipated by September 2011.

4. **Galveston Causeway Bridge** (Gulf Intracoastal Waterway), Texas
   - ***Execution Strategy:*** Competitive bid process.
   - ***Accomplishments to Date:***
     - Contract awarded on May 17, 2010
     - Construction work will start June 1st, 2010, and it is anticipated that the project will be completed by June 2012.

II. ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS (AC&I)

Of the $98 million in ARRA funding appropriated for AC&I, approximately $88 million will be used for the construction, renovation, and repair of vital shore facilities that provide critical support necessary to execute a full range of mission needs. The remaining funds are being used to address High Endurance Cutter fleet Engineering Changes to support systems as well as safety and environmental issues.

Shore Facility Projects:
The Coast Guard continues to execute and remain on target with its original spend plan for the ARRA expenditures for shore projects, including the advancement of projected award dates of two projects since I last testified. Thus far, we have made three shore construction contract awards based on competitive small business set aside strategies. We plan to utilize this contracting method on most of the remaining shore projects. Three additional contracts have also been awarded for construction design support or inspection services.

A list of shore facility projects to be completed with ARRA funding is provided below.

1. **Station Coos Bay, OR**
   - ***Background:*** This project will provide covered moorings for Coast Guard small boats. The existing covered mooring structure cannot accommodate the station's 47-foot Motor Lifeboats. Without adequate covered moorings, boat maintenance and operations are continually disrupted during periods of adverse weather.
   - ***Execution Strategy:*** Coast Guard management of design and construction.
   - ***Accomplishments to Date:***
     - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met.
     - Initial phase of construction was awarded via a competitive small business set aside on September 30, 2009.
     - Construction is scheduled to begin in August 2010. Construction has been delayed to accommodate the limited period for in-water construction based on federal regulations protecting spawning salmon.
     - Construction completion is anticipated by September 2011.

2. **Coast Guard Cutter (CGC) Sycamore - Cordova, AK Housing**
   - ***Background:*** This project will complete the final phase of a housing project to construct 26 housing units. These units are required to support Coast Guard housing needs in Southeast Alaska.
   - ***Execution Strategy:*** Coast Guard management of design and construction.
   - ***Accomplishments to Date:***
     - An Environmental Assessment and Finding of No Significant Impact (FONSI) have been completed. All NHPA Section 106 requirements have been met.
     - The Coast Guard exercised an option in May 2009 on the existing contract for Phase IV of the project. The original contract was awarded via a competitive small business set aside.
     - A task order for inspection services was awarded in April 2010.
     - Construction has begun and will be completed by March 2011.

3. **Station Neah Bay, WA**
   - ***Background:*** This project will provide covered moorings for Coast Guard small boats. Without covered moorings, boat maintenance and operations are continually disrupted during periods of adverse weather.
   - ***Execution Strategy:*** Coast Guard management of design and construction.
   - ***Accomplishments to Date:***

- NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met.
- Initial construction contract was awarded in September 2009 via a competitive small business set aside.
- Construction is scheduled to begin in August 2010. Construction has also been delayed on this project to accommodate the limited period for in-water construction based on federal regulations protecting spawning salmon.
- A task order for inspection services will be awarded in May 2010.
- Construction completion is anticipated by September 2011.

4. Support Center Elizabeth City, NC

- ***Background:*** This project will replace Thrun Hall (Barracks), Phase I. This barracks facility is functionally obsolete, has numerous code compliance discrepancies, is in poor condition, and is beyond rehabilitation. Due to its proximity to the airfield, the building violates FAA "object free zone" regulations for runways and is subjected to 70dB Day-Night Average Sound Level noise from aircraft. Thrun Hall, Building 61, was constructed in 1966. Based on the age and regulations, it is not a potential candidate for rehabilitation.
- ***Execution Strategy:*** Coast Guard management of design and construction.
- ***Accomplishments to Date:***
  - NEPA and Section 106 NHPA Requirements: An Environmental Assessment was completed and the NHPA Section 106 Finding of No Significant Impact (FONSI) has been finalized.
  - Contract award is anticipated by August 2010.
  - Construction completion is anticipated by June 2012.

5. Station Indian River, DE

- ***Background:*** This project will provide waterfront bulkhead repairs and replacement for a Coast Guard small boat station.
- ***Execution Strategy:*** Coast Guard management of design and construction.
- ***Accomplishments to Date:***
  - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met and there is no impact to historic resources.
  - Construction award is anticipated by June 2010.
  - Construction completion is anticipated by June 2012.

6. Training Center (TRACEN) Yorktown, VA

- ***Background:*** This project will upgrade the water distribution system for a large Coast Guard training campus to provide ample potable water supply and a more efficient fire protection system to meet life-safety standards.
- ***Execution Strategy:*** Coast Guard management of design and construction.
- ***Accomplishments to Date:***
  - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 consultation has been initiated and will be completed by June 2010.
  - Contract for archeological survey of site designated for water main route awarded on August 19, 2009.
  - Contract for water distribution system inside the gate anticipated for August 2010.

- Contract for water main upgrades outside the gate anticipated for August 2010.
- Construction/upgrade completion is anticipated by September 2012.

7. **Group/Air Station North Bend, OR, ENG/AST Building**
   - ***Background:*** This project will demolish six maintenance-intensive and functionally obsolete buildings and replace with a single, multi-purpose facility. The Group and Facility Engineering offices are located in 33 year old "temporary" modular trailers that have far exceeded their economic life and therefore are not candidates for rehabilitation.
   - ***Execution Strategy:*** Coast Guard management of design and construction.
   - ***Accomplishments to Date:***
     - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met, and there is no impact to historic resources.
     - Contract awarded for Mechanical Engineer to support RFP development, October 20, 2009.
     - Construction project award anticipated June 2010.
     - Construction completion is anticipated by September 2012.

High Endurance Cutter (WHEC) Engineering Changes (EC):

Of the $98 million appropriated in AC&I funding, approximately $10 million was provided to address auxiliary support systems, safety, and environmental issues for the 378-foot WHEC fleet.

Since I last testified, we have now awarded contracts for all vessel projects, and work is ongoing on all vessels. Two of the six EC projects were accelerated by a quarter from the original Coast Guard ARRA Expenditure Plan approved July 2009. The ABT Switch project, originally scheduled for award in June 2010, was awarded in April 2010. The Delivery Orders for Boiler Upgrades were awarded in September 2009, three months ahead of schedule.

Currently seven of 38 scheduled EC installation projects have been completed with five projects scheduled to start within the next two weeks. All of the remaining projects have been scheduled based on the cutters' availability schedules. A summary and update on vessel projects to be completed with ARRA funding is provided below:

1. **Boiler Fireside Upgrades & Boiler Reliability Improvement**
   - ***Background:*** This project will replace boiler components on both ship's service boilers.
   - ***Eight Cutter installs planned:*** Coast Guard Cutter (CGC) HAMILTON, DALLAS, BOUTWELL, GALLATIN, RUSH, MUNRO, JARVIS, and MIDGETT.
   - ***Accomplishments to Date:***
     - Delivery orders awarded for the first five vessels on September 29, 2009. Delivery orders for remaining vessels awarded April 22, 2010.
     - Projects completed onboard CGC HAMILTON, RUSH, and JARVIS, and MIDGETT.
     - Completion is anticipated by December 2010.

2. **Automatic Bus Transfer Switch Upgrade**

- ***Background:*** This project will replace the obsolete automatic bus transfer switches to improve electrical distribution reliability and safety.
- ***Eight Cutter installs planned:*** CGC MELLON, BOUTWELL, SHERMAN, GALLATIN, MORGENTHAU, MUNRO, JARVIS, and MIDGETT.
- ***Accomplishments to Date:***
    - Contract for equipment and installation awarded April 20, 2010.
    - Completion is anticipated by December 2010, six months ahead of original schedule.

3. **Refrigeration System Upgrade**
    - ***Background:*** This project will replace unserviceable refrigeration boxes and improve the refrigeration system with an environmentally-approved refrigerant.
    - ***Four Cutter installs planned:*** CGC MELLON, BOUTWELL, MORGENTHAU, and MIDGETT.
    - ***Accomplishments to Date:***
        - Contract for Government Furnished Equipment awarded April 2009.
        - Contract for installation awarded February 4, 2010.
        - Project underway onboard CGC BOUTWELL.
        - Completion is anticipated by March 2011.

4. **Fire & Smoke Alarm System**
    - ***Background:*** This project will replace an obsolete and unsupportable monitoring system, providing a more reliable remote sensing capability.
    - ***Six Cutter installs planned:*** CGC HAMILTON, DALLAS, CHASE, GALLATIN, RUSH, and JARVIS.
    - ***Accomplishments to Date:***
        - Contract for equipment and installation awarded March 2, 2010.
        - Project underway onboard CGC GALLATIN.
        - Completion is anticipated by March 2011.

5. **Auxiliary Salt Water Pump Replacement**
    - ***Background:*** This project will replace worn out and unsupportable equipment, which provides cooling water to multiple auxiliary support systems.
    - ***Eight Cutter installs planned:*** CGC HAMILTON, DALLAS, CHASE, BOUTWELL, SHERMAN, GALLATIN, MORGENTHAU, and RUSH.
    - ***Accomplishments to Date:***
        - Contract for equipment awarded December 4, 2009.
        - Contract for installation awarded February 24, 2010.
        - Project completed onboard CGC HAMILTON.
        - Completion is anticipated by March 2011.

6. **Lube Oil Purifier Replacement**
    - ***Background:*** This project will replace obsolete lube oil purifiers, which provide lube oil clarification and purification of the main propulsion diesel engines and the ship's service diesel electrical generators.

- ***Four Cutter installs planned:*** CGC DALLAS, CHASE, MORGANTHAU, and MIDGETT.
- ***Accomplishments to Date:***
  - Contract for equipment awarded October 30, 2009.
  - Contract for installation awarded February 24, 2010.
  - Completion is anticipated by March 2011.

III. CONCLUSION

Thank you for your continued support of the Coast Guard and for this opportunity to provide testimony on Coast Guard projects funded by the Recovery Act. The funding provided through ARRA continues to make our waterways safer through improved bridge transits, improves operational safety on the High Endurance Cutter fleet, and reduces our critical shore infrastructure backlog, all while providing a boost to the economy and local communities.

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